

## SUBCHAPTER M—INDIAN HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES

### PART 136—INDIAN HEALTH

#### Subpart A—Purpose and Definitions

Sec.

- 136.1 Definitions.
- 136.2 Purpose of the regulations.
- 136.3 Administrative instructions.

#### Subpart B—What Services Are Available and Who Is Eligible To Receive Care

- 136.11 Services available.
- 136.12 Persons to whom services will be provided.
- 136.13 [Reserved]
- 136.14 Care and treatment of ineligible individuals.

#### Subpart C—Contract Health Services

- 136.21 Definitions.
- 136.22 Establishment of contract health service delivery areas.
- 136.23 Persons to whom contract health services will be provided.
- 136.24 Authorization for contract health services.
- 136.25 Reconsideration and appeals.

#### Subpart D [Reserved]

#### Subpart E—Preference in Employment

- 136.41 Definitions.
- 136.42 Appointment actions.
- 136.43 Application procedure for preference eligibility.

#### Subpart F—Abortions and Related Medical Services in Indian Health Service Facilities and Indian Health Service Programs

- 136.51 Applicability.
- 136.52 Definitions.
- 136.53 General rule.
- 136.54 Life of the mother would be endangered.
- 136.55 Drugs and devices and termination of ectopic pregnancies.
- 136.56 Recordkeeping requirements.
- 136.57 Confidentiality.

#### Subpart G—Residual Status

- 136.61 Payor of last resort.

#### Subpart H—Grants for Development, Construction, and Operation of Facilities and Services

- 136.101 Applicability.

- 136.102 Definitions.
- 136.103 Eligibility.
- 136.104 Application.
- 136.105 Project elements.
- 136.106 Grant award and evaluation.
- 136.107 Use of project funds.
- 136.108 [Reserved]
- 136.109 Availability of appropriations.
- 136.110 Facilities construction.
- 136.111 Interest.
- 136.112 Additional conditions.
- 136.113 Fair and uniform provision of services.
- 136.114 Applicability of other Department regulations.
- 136.115 Rescission of grants.
- 136.116 Reports.
- 136.117 Amendment of regulations.
- 136.118 Effect on existing rights.
- 136.119 Penalties.
- 136.120 Use of Indian business concerns.
- 136.121 Indian preference in training and employment.

#### Subpart I [Reserved]

#### Subpart J—Indian Health Care Improvement Act Programs

##### SUBDIVISION J-1—PROVISIONS OF GENERAL AND SPECIAL APPLICABILITY

- 136.301 Policy and applicability.
- 136.302 Definitions.
- 136.303 Indians applying for scholarships.
- 136.304 Publication of a list of allied health professions.
- 136.305 Additional conditions.

##### SUBDIVISION J-2—HEALTH PROFESSIONS RECRUITMENT PROGRAM FOR INDIANS

- 136.310 Health professions recruitment grants.
- 136.311 Eligibility.
- 136.312 Application.
- 136.313 Evaluation and grant awards.
- 136.314 Use of funds.
- 136.315 Publication of list of grantees and projects.
- 136.316 Other HHS regulations that apply.

##### SUBDIVISION J-3—HEALTH PROFESSIONS PREPARATORY SCHOLARSHIP PROGRAM FOR INDIANS

- 136.320 Preparatory scholarship grants.
- 136.321 Eligibility.
- 136.322 Application and selection.
- 136.323 Scholarship and tuition.
- 136.324 Availability of list of recipients.

## Public Health Service, HHS

## § 136.1

### SUBDIVISION J-4—INDIAN HEALTH SCHOLARSHIP PROGRAM

- 136.330 Indian health scholarships.
- 136.331 Selection.
- 136.332 Service obligation.
- 136.333 Distribution of scholarships.
- 136.334 Publication of a list of recipients.

### SUBDIVISION J-5—CONTINUING EDUCATION ALLOWANCES

- 136.340 Provision of continuing education allowances.

### SUBDIVISION J-6—CONTRACTS WITH URBAN INDIAN ORGANIZATIONS

- 136.350 Contracts with Urban Indian organizations.
- 136.351 Application and selection.
- 136.352 Fair and uniform provision of services.
- 136.353 Reports and records.

### SUBDIVISION J-7—LEASES WITH INDIAN TRIBES

- 136.360 Leases with Indian tribes.

### SUBDIVISION J-8—HEALTH PROFESSIONS PREGRADUATE SCHOLARSHIP PROGRAM FOR INDIANS

- 136.370 Pregraduate scholarship grants.
- 136.371 Eligibility.
- 136.372 Application and selection.
- 136.373 Scholarship and tuition.
- 136.374 Availability of list of recipients.

### Subpart K—Indian Child Protection and Family Violence Prevention

Sec.

- 136.401 Purpose.
- 136.402 Policy.
- 136.403 Definitions.
- 136.404 What does the Indian Child Protection and Family Violence Prevention Act require of the Indian Health Service and Indian Tribes or Tribal organizations receiving funds under the ISDEA?
- 136.405 What are the minimum standards of character for individuals placed in, or applying for, a position that involves regular contact with or control over Indian children?
- 136.406 Under what circumstances will the minimum standards of character be considered to be met?
- 136.407 Under what circumstances should a conviction, or plea of nolo contendere or guilty to, be considered if there has been a pardon, expungement, set aside, or other court order of the conviction or plea?
- 136.408 What are other factors, in addition to the minimum standards of character, that may be considered in determining placement of an individual in a position that involves regular contact with or control over Indian children?

- 136.409 What positions require a background investigation and determination of eligibility for employment or retention?
- 136.410 Who conducts the background investigation and prepares determinations of eligibility for employment?
- 136.411 Are the requirements for Indian Health Service adjudication different from the requirements for Indian Tribes and Tribal organizations?
- 136.412 What questions must the IHS ask as part of the background investigation?
- 136.413 What protections must the IHS and Tribes or Tribal organizations provide to individuals undergoing a background investigation?
- 136.414 How does the IHS determine eligibility for placement or retention of individuals in positions involving regular contact with Indian children?
- 136.415 What rights does an individual have during this process?
- 136.416 When should the IHS deny employment or dismiss an employee?
- 136.417 May the IHS hire individuals pending completion of a background investigation?
- 136.418 What should the IHS do if an individual has been charged with an offense but the charge is pending or no disposition has been made by a court?

AUTHORITY: 25 U.S.C. 13; sec. 3, 68 Stat. 674 (42 U.S.C., 2001, 2003); Sec. 1, 42 Stat. 208 (25 U.S.C. 13); 42 U.S.C. 2001, unless otherwise noted.

### Subpart A—Purpose and Definitions

SOURCE: 64 FR 58319, Oct. 28, 1999, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002

#### § 136.1 Definitions.

When used in this part:

*Bureau of Indian Affairs* (BIA) means the Bureau of Indian Affairs, Department of the Interior.

*Indian* includes Indians in the Continental United States, and Indians, Aleuts and Eskimos in Alaska.

*Indian health program* means the health services program for Indians administered by the Indian Health Service within the Department of Health and Human Services.

*Jurisdiction* has the same geographical meaning as in Bureau of Indian Affairs usage.

*Service* means the Indian Health Service.

## § 136.2

## 42 CFR Ch. I (10–1–03 Edition)

### § 136.2 Purpose of the regulations.

The regulations in this part establish general principles and program requirements for carrying out the Indian health programs.

### § 136.3 Administrative instructions.

The service periodically issues administrative instructions to its officers and employees, which are primarily found in the *Indian Health Service Manual* and the Area Office and program office supplements. These instructions are operating procedures to assist officers and employees in carrying out their responsibilities, and are not regulations establishing program requirements which are binding upon members of the general public.

### Subpart B—What Services Are Available and Who Is Eligible To Receive Care?

SOURCE: 64 FR 58319, Oct. 28, 1999, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002.

### § 136.11 Services available.

(a) *Type of services that may be available.* Services for the Indian community served by the local facilities and program may include hospital and medical care, dental care, public health nursing and preventive care (including immunizations), and health examination of special groups such as school children.

(b) *Where services are available.* Available services will be provided at hospitals and clinics of the Service, and at contract facilities (including tribal facilities under contract with the Service).

(c) *Determination of what services are available.* The Service does not provide the same health services in each area served. The services provided to any particular Indian community will depend upon the facilities and services available from sources other than the Service and the financial and personnel resources made available to the Service.

### § 136.12 Persons to whom services will be provided.

(a) *In general.* Services will be made available, as medically indicated, to persons of Indian descent belonging to the Indian community served by the local facilities and program. Services will also be made available, as medically indicated, to a non-Indian woman pregnant with an eligible Indian's child but only during the period of her pregnancy through postpartum (generally about 6 weeks after delivery). In cases where the woman is not married to the eligible Indian under applicable state or tribal law, paternity must be acknowledged in writing by the Indian or determined by order of a court of competent jurisdiction. The Service will also provide medically indicated services to non-Indian members of an eligible Indian's household if the medical officer in charge determines that this is necessary to control acute infectious disease or a public health hazard.

(2) Generally, an individual may be regarded as within the scope of the Indian health and medical service program if he/she is regarded as an Indian by the community in which he/she lives as evidenced by such factors as tribal membership, enrollment, residence on tax-exempt land, ownership of restricted property, active participation in tribal affairs, or other relevant factors in keeping with general Bureau of Indian Affairs practices in the jurisdiction.

(b) *Doubtful cases.* (1) In case of doubt as to whether an individual applying for care is within the scope of the program, the medical officer in charge shall obtain from the appropriate BIA officials in the jurisdiction information that is pertinent to his/her determination of the individual's continuing relationship to the Indian population group served by the local program.

(2) If the applicant's condition is such that immediate care and treatment are necessary, services shall be provided pending identification as an Indian beneficiary.

(c) *Priorities when funds, facilities, or personnel are insufficient to provide the indicated volume of services.* Priorities for care and treatment, as among individuals who are within the scope of the

program, will be determined on the basis of relative medical need and access to other arrangements for obtaining the necessary care.

#### § 36.13 [Reserved]

#### § 136.14 Care and treatment of ineligible individuals.

(a) In case of an emergency, as an act of humanity, individuals not eligible under § 136.12 may be provided temporary care and treatment in Service facilities.

(b) Charging ineligible individuals. Where the Service Unit Director determines that an ineligible individual is able to defray the cost of care and treatment, the individual shall be charged at rates approved by the Assistant Secretary for Health and Surgeon General published in the FEDERAL REGISTER. Reimbursement from third-party payors may be arranged by the patient or by the Service on behalf of the patient.

[64 FR 58319, Oct. 28, 1999. Redesignated and amended at 67 FR 35342, May 17, 2002]

### Subpart C—Contract Health Services

SOURCE: 64 FR 58320, Oct. 28, 1999, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002.

#### § 136.21 Definitions.

(a) *Alternate resources* is defined in § 136.61 of subpart G of this part.

(b) *Appropriate ordering official* means, unless otherwise specified by contract with the health care facility or provider, the ordering official for the contract health service delivery area in which the individual requesting contract health services or on whose behalf the services are requested, resides.

(c) *Area Director* means the Director of an Indian Health Service Area designated for purposes of administration of Indian Health Service programs.

(d) *Contract health service delivery area* means the geographic area within which contract health services will be made available by the IHS to members of an identified Indian community who reside in the area, subject to the provisions of this subpart.

(e) *Contract health services* means health services provided at the expense of the Indian Health Service from public or private medical or hospital facilities other than those of the Service.

(f) *Emergency* means any medical condition for which immediate medical attention is necessary to prevent the death or serious impairment of the health of an individual.

(g) *Indian tribe* means any Indian tribe, band, nation, group, Pueblo, or community, including any Alaska Native village or Native group, which is federally recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(h) *Program Director* means the Director of an Indian Health Service "program area" designated for the purposes of administration of Indian Health Service programs.

(i) *Reservation* means any federally recognized Indian tribe's reservation, Pueblo, or colony, including former reservations in Oklahoma, Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), and Indian allotments.

(j) *Secretary* means the Secretary of Health and Human Services to whom the authority involved has been delegated.

(k) *Service* means the Indian Health Service.

(l) *Service Unit Director* means the Director of an Indian Health Service "Service unit area" designated for purposes of administration of Indian Health Service programs.

[64 FR 58320, Oct. 28, 1999. Redesignated and amended at 67 FR 35342, May 17, 2002]

#### § 136.22 Establishment of contract health service delivery areas.

(a) In accordance with the congressional intention that funds appropriated for the general support of the health program of the Indian Health Service be used to provide health services for Indians who live on or near Indian reservations, contract health service delivery areas are established as follows:

- (1) The State of Alaska;
- (2) The State of Nevada;
- (3) the State of Oklahoma;

(4) Chippewa, Mackinac, Luce, Alger, Schoolcraft, Delta, and Marquette Counties in the State of Michigan;

(5) Clark, Eau Claire, Jackson, La Crosse, Monroe, Vernon, Crawford, Shawano, Marathon, Wood, Juneau, Adams, Columbia, and Sauk Counties in the State of Wisconsin and Houston County in the State of Minnesota;

(6) With respect to all other reservations within the funded scope of the Indian health program, the contract health services delivery area shall consist of a county which includes all or part of a reservation, and any county or counties which have a common boundary with the reservation.

(b) The Secretary may from time to time, redesignate areas or communities within the United States as appropriate for inclusion or exclusion from a contract health service delivery area after consultation with the tribal governing body or bodies on those reservations included within the contract health service delivery area. The Secretary will take the following criteria into consideration:

(1) The number of Indians residing in the area proposed to be so included or excluded;

(2) Whether the tribal governing body has determined that Indians residing in the area near the reservation are socially and economically affiliated with the tribe;

(3) The geographic proximity to the reservation of the area whose inclusion or exclusion is being considered; and

(4) The level of funding which would be available for the provision of contract health services.

(c) Any redesignation under paragraph (b) of this section shall be made in accordance with the procedures of the Administrative Procedure Act (5 U.S.C. 553).

**§ 136.23 Persons to whom contract health services will be provided.**

(a) *In general.* To the extent that resources permit, and subject to the provisions of this subpart, contract health services will be made available as medically indicated, when necessary health services by an Indian Health Service facility are not reasonably accessible or available, to persons de-

scribed in and in accordance with § 136.12 of this part if those persons:

(1) Reside within the United States and on a reservation located within a contract health service delivery area; or

(2) Do not reside on a reservation but reside within a contract health service delivery area and:

(i) Are members of the tribe or tribes located on that reservation or of the tribe or tribes for which the reservation was established; or

(ii) Maintain close economic and social ties with that tribe or tribes.

(b) *Students and transients.* Subject to the provisions of this subpart, contract health services will be made available to students and transients who would be eligible for contract health services at the place of their permanent residence within a contract health service delivery area, but are temporarily absent from their residence as follows:

(1) Student—during their full-time attendance at programs of vocational, technical, or academic education, including normal school breaks (such as vacations, semester or other scheduled breaks occurring during their attendance) and for a period not to exceed 180 days after the completion of the course of study.

(2) Transients (persons who are in travel or are temporarily employed, such as seasonal or migratory workers) during their absence.

(c) *Other persons outside the contract health service delivery area.* Persons who leave the contract health service delivery area in which they are eligible for contract health service and are neither students nor transients will be eligible for contract health service for a period not to exceed 180 days from such departure.

(d) *Foster children.* Indian children who are placed in foster care outside a contract health service delivery area by order of a court of competent jurisdiction and who were eligible for contract health services at the time of the court order shall continue to be eligible for contract health services while in foster care.

(e) *Priorities for contract health services.* When funds are insufficient to provide the volume of contract health services indicated as needed by the

## Public Health Service, HHS

## § 136.25

population residing in a contract health service delivery area, priorities for service shall be determined on the basis of relative medical need.

(f) *Alternate resources*. The term “alternate resources” is defined in § 136.61(c) of Subpart G of this part.

[64 FR 58319, Oct. 28, 1999. Redesignated and amended at 67 FR 35342, May 17, 2002]

### § 136.24 Authorization for contract health services.

(a) No payment will be made for medical care and services obtained from non-Service providers or in non-Service facilities unless the applicable requirements of paragraphs (b) and (c) of this section have been met and a purchase order for the care and services has been issued by the appropriate ordering official to the medical care provider.

(b) In nonemergency cases, a sick or disabled Indian, an individual or agency acting on behalf of the Indian, or the medical care provider shall, prior to the provision of medical care and services notify the appropriate ordering official of the need for services and supply information that the ordering official deems necessary to determine the relative medical need for the services and the individual's eligibility. The requirement for notice prior to providing medical care and services under this paragraph may be waived by the ordering official if:

(1) Such notice and information are provided within 72 hours after the beginning of treatment or admission to a health care facility; and

(2) The ordering official determines that giving of notice prior to obtaining the medical care and services was impracticable or that other good cause exists for the failure to provide prior notice.

(c) In emergency cases, a sick or disabled Indian, or an individual or agency acting on behalf of the Indian, or the medical care provider shall within 72 hours after the beginning of treatment for the condition or after admission to a health care facility notify the appropriate ordering official of the fact of the admission or treatment, together with information necessary to determine the relative medical need for the services and the eligibility of the Indian for the services. The 72-hour pe-

riod may be extended if the ordering official determines that notification within the prescribed period was impracticable or that other good cause exists for the failure to comply.

### § 136.25 Reconsideration and appeals.

(a) Any person to whom contract health services are denied shall be notified of the denial in writing together with a statement of the reason for the denial. The notice shall advise the applicant for contract health services that within 30 days from the receipt of the notice the applicant:

(1) May obtain a reconsideration by the appropriate Service Unit Director of the original denial if the applicant submits additional supporting information not previously submitted; or

(2) If no additional information is submitted, may appeal the original denial by the Service Unit Director to the appropriate Area or program director. A request for reconsideration or appeal shall be in writing and shall set forth the grounds supporting the request or appeal.

(b) If the original decision is affirmed on reconsideration, the applicant shall be so notified in writing and advised that an appeal may be taken to the Area or program director within 30 days of receipt of the notice of the reconsidered decision. The appeal shall be in writing and shall set forth the grounds supporting the appeal.

(c) If the original or reconsidered decision is affirmed on appeal by the Area or program director, the applicant shall be so notified in writing and advised that a further appeal may be taken to the Director, Indian Health Service, within 30 days of receipt of the notice. The appeal shall be in writing and shall set the grounds supporting the appeal. The decision of the Director, Indian Health Service, shall constitute final administrative action.

## Subpart D [Reserved]

## Subpart E—Preference in Employment

AUTHORITY: 25 U.S.C. 44, 45, 46 and 472; Pub. L. 83-568, 68 Stat 674, 42 U.S.C. 2003.

## § 136.41

SOURCE: 64 FR 58321, Oct. 28, 1999, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002.

### § 136.41 Definitions.

For purposes of making appointments to vacancies in all positions in the Indian Health Service, a preference will be extended to persons of Indian descent who are:

(a) Members of any recognized Indian tribe now under Federal jurisdiction;

(b) Descendants of such members who were, on June 1, 1934, residing within the present boundaries of any Indian reservation;

(c) All others of one-half or more Indian blood of tribes indigenous to the United States;

(d) Eskimos and other aboriginal people of Alaska; or

(e) Until January 4, 1990, or until the Osage Tribe has formally organized, whichever comes first, a person of at least one-quarter degree Indian ancestry of the Osage Tribe of Indians, whose rolls were closed by an act of Congress.

### § 136.42 Appointment actions.

(a) Preference will be afforded a person meeting any one of the definitions of § 136.41 whether the placement in the position involves initial appointment, reappointment, reinstatement, transfer, reassignment, promotion, or any other personnel action intended to fill a vacancy.

(b) Preference eligibles may be given a schedule A excepted appointment under 5 CFR 213.3116(b)(8). If the individuals are within reach on a Civil Service Register, they may be given a competitive appointment. [64 FR 58321, Oct. 28, 1999. Redesignated and amended at 67 35342, May 17, 2002]

### § 136.43 Application procedure for preference eligibility.

To be considered a preference eligible, the person must submit with the employment application a Bureau of Indian Affairs certification that the person is an Indian as defined by § 136.41 except that an employee of the Indian Health Service who has a certificate of preference eligibility on file in the Official Personnel Folder is not required to resubmit such proof but

## 42 CFR Ch. I (10–1–03 Edition)

may instead include a statement on the application that proof of eligibility is on file in the Official Personnel Folder.

[64 FR 58319, Oct. 28, 1999. Redesignated and amended at 67 35342, May 17, 2002]

## Subpart F—Abortions and Related Medical Services in Indian Health Service Facilities and Indian Health Service Programs

AUTHORITY: Sec. 1, 42 Stat. 208, (25 U.S.C. 13); sec. 1, Stat. 674, (42 U.S.C. 2001); sec. 3, 68 Stat. 674, (42 U.S.C. 2003).

SOURCE: 64 FR 58322, Oct. 28, 1999, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002.

### § 136.51 Applicability.

This subpart is applicable to the use of Federal funds in providing health services to Indians in accordance with the provisions of subparts A, B, and C of this part.

### § 136.52 Definitions.

As used in this subpart:

*Physician* means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery at an Indian Health Service or tribally run facility, or by the state in which he or she practices.

### § 136.53 General rule.

Federal funds may not be used to pay for or otherwise provide for abortions in the programs described in § 136.51, except under the circumstances described in § 136.54.

[64 FR 58322, Oct. 28, 1999. Redesignated and amended at 67 35342, May 17, 2002]

### § 136.54 Life of the mother would be endangered.

Federal funds are available for an abortion when a physician has found and so certified in writing to the appropriate tribal or other contracting organization, or Service Unit or Area Director, that “on the basis of my professional judgment the life of the mother would be endangered if the fetus were carried to term.” The certification

## Public Health Service, HHS

## § 136.102

must contain the name and address of the patient.

### § 136.55 Drugs and devices and termination of ectopic pregnancies.

Federal funds are available for drugs or devices to prevent implantation of the fertilized ovum, and for medical procedures necessary for the termination of an ectopic pregnancy.

### § 136.56 Recordkeeping requirements.

Documents required by § 136.54 must be maintained for three years pursuant to the retention and custodial requirements for records at 45 CFR part 74, subpart C. [64 FR 58322, Oct. 28, 1999. Redesignated and amended at 67 FR 35342, May 17, 2002]

### § 136.57 Confidentiality.

Information which is acquired in connection with the requirements of this subpart may not be disclosed in a form which permits the identification of an individual without the individual's consent, except as may be necessary for the health of the individual or as may be necessary for the Secretary to monitor Indian Health Service program activities. In any event, any disclosure shall be subject to appropriate safeguards which will minimize the likelihood of disclosures of personal information in identifiable form.

## Subpart G—Residual Status

### § 136.61 Payor of last resort.

(a) The Indian Health Service is the payor of last resort for persons defined as eligible for contract health services under the regulations in this part, notwithstanding any State or local law or regulation to the contrary.

(b) Accordingly, the Indian Health Service will not be responsible for or authorize payment for contract health services to the extent that:

(1) The Indian is eligible for alternate resources, as defined in paragraph (c) of this section, or

(2) The Indian would be eligible for alternate resources if he or she were to apply for them, or

(3) The Indian would be eligible for alternate resources under State or local law or regulation but for the Indian's eligibility for contract health

services, or other health services, from the Indian Health Service or Indian Health Service funded programs.

(c) *Alternate resources* means health care resources other than those of the Indian Health Service. Such resources include health care providers and institutions, and health care programs for the payment of health services including but not limited to programs under titles XVIII or XIX of the Social Security Act (*i.e.*, Medicare, Medicaid), State or local health care programs, and private insurance.

[64 FR 58322, Oct. 28, 1999]

## Subpart H—Grants for Development, Construction, and Operation of Facilities and Services

AUTHORITY: Secs. 104, 107, 25 U.S.C. 450h(b), 450k; Sec. 3, Pub. L. 83-568, 42 U.S.C. 2003.

SOURCE: 40 FR 53143, Nov. 14, 1975, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002.

### § 136.101 Applicability.

The regulations of this subpart are applicable to grants awarded pursuant to section 104(b) of Pub. L. 93-638, 25 U.S.C. 450h(b) for (a) projects for development including feasibility studies, construction, operation, provision, or maintenance of services and facilities provided to Indians and, (b) for projects for planning, training, evaluation or other activities designed to improve the capacity of a tribal organization to enter into a contract or contracts pursuant to section 103 of the Act. Such grants may include the cost of training personnel to perform grant related activities.

### § 136.102 Definitions.

As used in this subpart:

(a) *Act* means Title I of the Indian Self-Determination and Education Assistance Act, Pub. L. 93-638 (88 Stat. 2203).

(b) *Indian* means a person who is a member of an Indian tribe.

(c) *Indian tribe* means any Indian tribe, band, nation, rancheria, Pueblo, colony or community, including any Alaska Native Village or regional or

village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, Pub. L. 92–203 (85 Stat. 688) which is recognized as eligible by the United States Government for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) *Tribal organization* means:

(1) The recognized governing body of any Indian tribe; or

(2) Any legally established organization of Indians which is:

(i) Controlled, sanctioned or chartered by such governing body or bodies; or

(ii) Democratically elected by the adult members of the Indian community to be served by such organization and which includes the maximum participation of Indians in all phases of its activities.

(e) *Secretary* means the Secretary of the Department of Health and Human Services and any other officer or employee of the Department of Health and Human Services to whom the authority involved has been delegated.

(f) *Grantee* means the tribe or tribal organization that receives a grant under section 104(b) of the Act and this subpart and assumes the legal and financial responsibility for the funds awarded and for the performance of the grant supported activity in accordance with the Act and these regulations.

(g) *Indian owned economic enterprise* means any commercial, industrial, or business activity established or organized for the purpose of profit which is not less than 51 percent Indian owned.

**§ 136.103 Eligibility.**

Any Indian tribe or tribal organization is eligible to apply for a grant under this subpart.

**§ 136.104 Application.**

(a) Forms for applying for grants are governed by 45 CFR part 74, subpart N.

(b) In addition to such other pertinent information as the Secretary may require, the application for a grant under this subpart shall contain the following:

(1) A description of the applicant including an indication whether the ap-

plicant is a Tribe or tribal organization, and if the latter:

(i) The legal and organizational relationship of the applicant to the Indians in the Area to be served or effected by the project.

(ii) A description of the current and proposed participation of Indians in the activities of applicant.

(iii) Whether applicant is controlled, sanctioned or chartered by the governing body of the Indians to be served, and if so, evidence of such fact.

(iv) If elected, a description of the election process, voting criteria, and extent of voter participation in the election designating the organization.

(2) A narrative description of the project including its goals and objectives and the manner in which the proposed project is compatible with published Indian Health Service statements of availability of funds, the manner in which those goals and objectives are to be attained, and a work and time schedule which will be utilized to accomplish each goal and objective.

(3) A description of applicant's staff, present or proposed, including their qualifications, academic training, responsibilities and functions.

(4) A description of the manner in which the staff is or will be organized and supervised to carry out proposed activities.

(5) A description of training to be provided as part of the proposed project.

(6) A description of the administrative, managerial, and organizational arrangements and resources to be utilized to conduct the proposed project.

(7) An itemized budget for the budget period (normally 12 months) for which support is sought and justification of the amount of grant funds requested.

(8) The intended financial participation, if any, of the applicant, specifying the type of contributions such as cash or services, loans of full or part-time staff, equipment, space materials or facilities, or other contributions.

(9) Where health services are to be provided, a description of the nature of the services to be provided and the population to be served.

(10) A description of the Federal property, real and personal, equipment,

facilities and personnel which applicant proposes to utilize and a description of the arrangements which applicant has made or will make to assume responsibility for the operation and management of those facilities.

(c) The application shall contain assurances satisfactory to the Secretary that the applicant will:

(1) Where applicant is providing services, provide such services at a level and range which is not less than that provided by the Indian Health Service or that identified by the Service after negotiation with the applicant, as an appropriate level, range and standard of care.

(2) Where providing services, provide services in accordance with law and applicable Indian Health Service policies and regulations.

(3) Where providing services, provide services in a fair and uniform manner, consistent with medical need, to all Indian people.

(Approved by the Office of Management and Budget under control number 0915-0045)

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1853, Jan. 14, 1985]

#### § 136.105 Project elements.

A project supported under this subpart must:

(a) Have sufficient, adequately trained staff in relation to the scope of the project.

(b) Maintain a mechanism for dealing with complaints regarding the delivery of health services or performance of project activities.

(c) Hold confidential all information obtained by the personnel of the project from participants in the project related to their examination, care, and treatment, and shall not release such information without the individuals' consent except as may be required by law, as may be necessary to provide service to the individual, or as may be necessary to monitor the operations of this program or otherwise protect the public health. Information may be disclosed in a form which does not identify particular individuals.

(d) Operate with the approval, support, and involvement of the tribe, tribes, or Indian communities in the area served by the local facility and program.

(e) Keep in force adequate liability insurance in accordance with the approved application unless the Secretary, for good cause shown, has determined that such insurance was not obtainable or appropriate or has determined that such insurance may be permitted to expire or lapse. The insurance shall provide that prior to cancellation the Secretary must be notified and must further provide that for each such policy of insurance the carrier shall waive any right it may have to raise as a defense the tribe's sovereign immunity from suit but such waiver shall extend only to claims the amount and nature of which are within the coverage and limits of the policy and shall not authorize or empower the insurance carrier to waive or otherwise limit the tribe's sovereign immunity outside or beyond the coverage and limits of the policy of insurance.

NOTE: This provision is excepted from application of 45 CFR 74.15 by section 103(c) of Pub. L. 93-638.

(f) Provide services at a level and range which is not less than that provided by the Indian Health Service or that identified by the Service as an appropriate level, range, and standard of care.

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1854, Jan. 14, 1985]

#### § 136.106 Grant award and evaluation.

(a) Within the limits of funds determined by the Secretary to be available for such purpose, the Secretary may award grants under this subpart to applicants whose project will, in the judgment of the Secretary, best promote the purposes of the Act, and the regulations of this subpart, taking into account:

(1) The apparent capability of the applicant to organize and manage the proposed project successfully considering, among other things the adequacy of staff, management systems, equipment and facilities.

(2) The soundness of the applicant's plan for conducting the project and for assuring effective utilization of grant funds.

(3) The adequacy of the budget in relation to the scope of the project and available funds.

## § 136.107

(4) The relative effectiveness of the applicant's plan, as set forth in the application, to carry out each of the requirements § 136.105.

(5) The compatibility of the proposed project with the published goals and responsibilities of the IHS in carrying out its statutory mission.

(b) The Notice of Grant Awards specifies how long the Secretary intends to support the project period without requiring the project to re-compete for funds. This period, called the project period, will usually be for one to two years. The total project period comprises the original project period and any extension. Generally the grant will be for a one-year budget period, any subsequent award will also be a one-year budget period. A grantee must submit a separate application for each subsequent year. Decisions regarding continuation awards and the funding level of such awards will be made after consideration of such factors as the grantee's progress and management practices, and the availability of funds. In all cases, awards require a determination by the Secretary that funding is in the best interest of the Federal Government.

(c) Neither the approval of any application nor the award of any grant commits or obligates the Federal Government in any way to make any additional, supplemental, continuation or other award with respect to any approved application or portion of an approved application.

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1854, Jan. 14, 1985. Redesignated and amended at 67 FR 35342, May 17, 2002]

## § 136.107 Use of project funds.

(a) A grantee shall only spend funds it receives under this subpart according to the approved application and budget, the regulations of this subpart, the terms and conditions of the award and the applicable cost principles prescribed in subpart Q of 45 CFR part 74.

(b) The provisions of any other Act notwithstanding, any funds made available to a tribal organization under grants pursuant to section 104(b) of the Act may be used as matching shares for any other Federal grant programs which contribute to the purposes for

## 42 CFR Ch. I (10–1–03 Edition)

which grants under this section are made.

NOTE: This provision is excepted from application of 45 CFR 74.53 by section 104(c) of Pub. L. 93–638.

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1854, Jan. 14, 1985]

## § 36.108 [Reserved]

## § 136.109 Availability of appropriations.

The Secretary will from time to time publish a notice in the FEDERAL REGISTER indicating by areas the allotment of funds and categories of activities for which awards may be made under this subpart. The Secretary may revise such allotments and categories from time to time and will promptly publish a notice of such revisions in the FEDERAL REGISTER.

## § 136.110 Facilities construction.

In addition to other requirements of this subpart:

(a) An applicant for a construction grant to build, renovate, modernize, or remodel a hospital, clinic, health station or quarters for housing personnel associated with such facilities, must in its application:

(1) Provide its assessment of the environmental impact of the project as called for by section 102(2)(c) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(c)).

(2) Furnish its evaluation of the project site in accordance with the terms and conditions of E.O. 11296, 31 FR 10663 (August 10, 1966) relating to the evaluation of flood hazards in locating federally owned or financed facilities.

(b) The following requirements are applicable to each construction grant to build, renovate, modernize, or remodel a hospital, clinic, health station or quarters for housing personnel associated with such facilities.

(1) Competitive bids. The approval of the Secretary shall be obtained before the project is advertised or placed on the market for bidding. The approval shall include a determination by the Secretary that the final plan and specifications conform to the minimum standards of construction and equipment specified in the grant award or in

## Public Health Service, HHS

## § 136.115

HHS documents specified in the grant award.

(2) There will be no preference given to local contractors or suppliers over non-local contractors or suppliers, except as otherwise provided in these regulations.

(3) Construction contracts and subcontracts under this program are subject to the Davis-Bacon Act (40 U.S.C. 276a et seq.). For requirements that grantees must observe for enforcing compliance by contractors and subcontractors, see the section on contract provisions in the procurement standards for HHS grantees made applicable by subpart P of 45 CFR part 74.

(4) Minimum standards of construction and equipment. The plans and specifications for the project will conform to the minimum standards of construction and equipment specified in the grant award or in HHS documents specified in the grant award.

(5) The following provision must be included in all construction contracts let by the grantee: "The Secretary of the Department of Health and Human Services shall have access at all reasonable times to work wherever it is in preparation or progress, and the contractor shall provide proper facilities for such access and inspection."

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1854, Jan. 14, 1985]

### § 136.111 Interest.

Tribes and Tribal organizations shall not be held accountable for interest earned on grant funds, pending disbursement by such organization.

NOTE: This provision is excepted from application of 45 CFR 74.47(a) by section 106(b) of Pub. L. 93-638.

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1854, Jan. 14, 1985]

### § 136.112 Additional conditions.

The Secretary may with respect to any grant award impose additional conditions prior to or at the time of any award when in his judgment such conditions are necessary to assure or protect advancement of the approved project, the interests of public health, or the conservation of grant funds.

### § 136.113 Fair and uniform provision of services.

Services provided pursuant to a grant under this subpart shall be provided by the Grantee in a fair and uniform manner to all participants in the project consistent with their medical need, the policies and regulations of the Indian Health Service, and the Act.

### § 136.114 Applicability of other Department regulations.

Several other regulations apply to grants under this subpart. These include to the extent applicable but are not limited to:

42 CFR part 50, subpart D, Public Health Service grant appeals procedure

45 CFR part 16, Procedures of the Departmental Grant Appeals Board

45 CFR part 74, Administration of grants

45 CFR part 75, Informal grant appeals procedures

45 CFR part 84, Nondiscrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance

45 CFR part 86, Nondiscrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance

45 CFR part 91, Nondiscrimination on the basis of age in HHS programs or activities receiving Federal financial assistance

NOTE: To the extent they provide special benefits to Indians, grants under this subpart are exempted from the requirements of section 601 of the Civil Rights Act of 1964 [42 U.S.C. 200d], prohibiting discrimination on the basis of race, color or national origin, by regulation at 45 CFR 80.3(d) which provides, with respect to Indian health services, that, "An individual shall not be deemed subjected to discrimination by reasons of his exclusion from the benefits of a program limited by Federal law to individuals of a particular race, color, or national origin different from his.

[50 FR 1854, Jan. 14, 1985]

### § 136.115 Rescission of grants.

(a) When the Secretary determines that the performance of a grantee under these regulations involves (1) the violation of the rights or endangerment of the health, safety, or welfare of any persons, or (2) gross negligence or the mismanagement in the handling or use of funds under the grant, the Secretary will, in writing,

notify the grantee of such determination and will request that the grantee take such corrective action, within such period of time, as the Secretary may prescribe.

(b) When the Secretary determines that a grantee has not taken corrective action (as prescribed by him under paragraph (a) of this section) to his satisfaction, he may, after providing the grantee an opportunity for a hearing in accordance with paragraph (c) of this section, rescind the grant in whole or in part and if he deems it appropriate, assume or resume control or operation of the program, activity, or service involved.

(c) When the Secretary has made a determination described in paragraph (b) of this section, he shall in writing notify the grantee of such determination and of the grantee's right to request a review of such determination (and of the determination described in paragraph (a) of this section) under the Public Health Service Grant Appeals Procedure (42 CFR part 50, subpart D). Such notification by the Secretary shall set forth the reasons for the determination in sufficient detail to enable the grantee to respond and shall inform the grantee of its opportunity for review under such subpart D. If the review held under subpart D results in a response adverse to the grantee's position, the grantee shall be informed of its right to have a hearing before the Department Grant Appeals Board, pursuant to 45 CFR part 16.

(d) Where the Secretary determines that a grantee's performance under a grant awarded under this subpart poses an immediate threat to the safety of any person, he may immediately rescind the grant in whole or in part and if he deems it appropriate, assume or resume control or operation of the program, activity, or service involved. Upon such rescission he will immediately notify the grantee of such action and the basis or reasons therefor; and offer the grantee an opportunity for a hearing to be held within 10 days of such action. If the grantee requests such a hearing, the Secretary will designate three officers or employees of the Department to serve as a hearing panel. No officer or employee from the immediate office of the official who

made the decision to rescind the grant under this paragraph may be designated to serve on the hearing panel.

(1) The hearing shall be commenced within 10 days after the rescission of the grant, shall be held on the record and shall afford the grantee the right:

(i) To notice of the issues to be considered;

(ii) To be represented by counsel;

(iii) To present witnesses on grantee's behalf; and

(iv) To cross-examine other witnesses either orally or through written interrogatories.

(2) The hearing panel shall, within 25 days after the conclusion of the hearing, notify all parties in writing of its decision.

(3) Such decision shall not be subject to further hearing under 42 CFR part 50, subpart D or 45 CFR part 16.

(e) In any case where the Secretary has rescinded a grant under paragraph (b) or (d) of this section, he may decline to enter into a new grant agreement with the grantee until such time as he is satisfied that the basis for the rescission has been corrected. Nothing in this section shall be construed as contravening the Occupational Safety and Health Act of 1970 (84 Stat. 1590), as amended (29 U.S.C. 651).

(f) In any case where the Secretary has rescinded a grant for the delivery of health services under this subpart, the grantee shall, upon the request of the Secretary, transfer to the Secretary all medical records compiled in the operation of the supported project.

NOTE: This section is an exception to 45 CFR part 74, subpart M required by section 109 of Pub. L. 93-638.

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1855, Jan. 14, 1985]

#### § 136.116 Reports.

In addition to the reporting and information requirements provided in subpart J of 45 CFR part 74 made applicable to grants under this subpart by § 136.114, each recipient of Federal financial assistance shall make such reports and information available to the Indian people served or represented by such recipient as and in a manner determined by the Secretary to be adequate.

## Public Health Service, HHS

## § 136.121

NOTE: This section is a requirement in addition to 45 CFR part 74 and is required by section 5(c) of Pub. L. 93-638.

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1855, Jan. 14, 1985. Redesignated and amended at 67 FR 35342, May 17, 2002]

### § 136.117 Amendment of regulations.

Before revising or amending the regulations in this subpart, the Secretary shall take the following actions:

(a) Consult with Indian Tribes and national and regional Indian organizations to the extent practicable about the need for revision or amendment and consider their views in preparing the proposed revision or amendment.

(b) Present the proposed revision or amendment to the Committees on Interior and Insular Affairs of the United States Senate and House of Representatives.

(c) Publish the proposed revisions or amendments in the FEDERAL REGISTER as proposed rulemaking to provide adequate notice to receive comments from, all interested parties.

(d) After consideration of all comments received, publish the regulations in the FEDERAL REGISTER in final form not less than 30 days before the date they are made effective.

### § 136.118 Effect on existing rights.

The regulations in this part are not meant to and do not:

(a) Affect, modify, diminish, or otherwise impair the sovereign immunity from suit enjoyed by an Indian tribe;

(b) Authorize, require or permit the termination of any existing trust responsibility of the United States with respect to the Indian people;

(c) Permit significant reduction in services to Indian people as a result of this subpart.

### § 136.119 Penalties.

Section 6 of Pub. L. 93-638, 25 U.S.C. 450(d) provides:

Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any recipient of a contract, sub-contract, grant, or subgrant pursuant to this Act or the Act of April 16, 1934 (48 Stat. 596), as amended, embezzles, willfully misapplies, steals, or obtains by fraud any of the money, funds, assets, or property which are the subject of such a grant, subgrant, contract, or subcontract, shall be fined not more than

\$10,000 or imprisoned for not more than two years, or both, but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed \$100, he shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

### § 136.120 Use of Indian business concerns.

Grants awarded pursuant to this subpart will incorporate the following:

Use of Indian business concerns.

(a) As used in this clause, the term "Indian organizations of an Indian-owned economic enterprise" as defined in section 102(g) of this subpart.

(b) The grantee agrees to give preference to qualified Indian business concerns in the awarding of any contracts, subcontracts or subgrants entered into under the grant consistent with the efficient performance of the grant. The grantee shall comply with any preference requirements regarding Indian business concerns established by the tribe(s) receiving services under the grant to the extent that such requirements are consistent with the purpose and intent of this paragraph.

NOTE: This section is an exception to 45 CFR part 74, required by section 7(b) of Pub. L. 93-638.

[40 FR 53143, Nov. 14, 1975, as amended at 50 FR 1855, Jan. 14, 1985]

### § 136.121 Indian preference in training and employment.

(a) Any grant made under this subpart, or a contract or subgrant made under such a grant shall require that, to the greatest extent feasible preferences and opportunities for training and employment in connection with the administration of such grant, or contract or subgrant made under such grant, shall be given to Indians.

(b) The grantee shall include the requirements of paragraph (a) of this section in all contracts and subgrants made under a grant awarded under this subpart.

## Subpart I [Reserved]

## Subpart J—Indian Health Care Improvement Act Programs

AUTHORITY: Secs. 102, 103, 106, 502, 702, and 704 of Pub. L. 94-437 (25 U.S.C. 1612, 1613, 1615,

## § 136.301

1652, 1672 and 1674); sec. 338G of the Public Health Service Act, 95 Stat. 908 (42 U.S.C. 254r).

SOURCE: 42 FR 59646, Nov. 18, 1977, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002.

### SUBDIVISION J-1—PROVISIONS OF GENERAL AND SPECIAL APPLICABILITY

#### § 136.301 Policy and applicability.

(a) *Policy.* (1) It is the policy of the Secretary to encourage Indians to enter the health professions and to ensure the availability of Indian health professionals to serve Indians. The recruitment and scholarship programs under this subpart will contribute to this objective.

(2) The regulations of this subpart are intended to be consistent with principles of Indian self-determination and to supplement the responsibilities of the Indian Health Service for Indian health manpower planning and for assisting Indian tribes and tribal organizations in the development of Indian manpower programs.

(b) *Applicability.* The regulations of this subpart are applicable to the following activities authorized by the Indian Health Care Improvement Act:

(1) The award of health professions recruitment grants under section 102 of the Act to recruit Indians into the health professions (Subdivision J-2);

(2) The award of preparatory scholarship grants and pregraduate scholarship grants under section 103 of the Act, as amended, to Indians undertaking compensatory and preprofessional education (Subdivisions J-3 and J-8);

(3) The award of Indian Health Scholarship grants pursuant to section 338G of the Public Health Service Act (42 U.S.C. 254r) to Indian or other students in health professions schools (Subdivision J-4);

(4) The provision of continuing education allowances to health professionals employed by the Service under section 106 of the Act (Subdivision J-5);

(5) Contracts with urban Indian organizations under section 502 of the Act to establish programs in urban areas to make health services more accessible to the urban Indian population (Subdivision J-6); and

## 42 CFR Ch. I (10-1-03 Edition)

(6) Leases with Indian tribes under section 704 of the Act (Subdivision J-7).

[42 FR 59646, Nov. 18, 1977, as amended at 49 FR 7381, Feb. 29, 1984; 50 FR 1855, Jan. 14, 1985]

#### § 136.302 Definitions.

As used in this subpart: (a) *Act* means the Indian Health Care Improvement Act, Pub. L. 94-437 (25 U.S.C. 1601 *et seq.*).

(b) *Academic year* means the traditional approximately 9 month September to June annual session, except for students who attend summer session in addition to the traditional academic year during a 12 month period, for whom the academic year will be considered to be of approximately 12 months duration.

(c) [Reserved]

(d) *Compensatory preprofessional education* means any preprofessional education necessary to compensate for deficiencies in an individual's prior education in order to enable that individual to qualify for enrollment in a health professions school.

(e) *Health or educational entity* means an organization, agency, or combination thereof, which has the provision of health or educational programs as one of its major functions.

(f) *Health professions school* means any of the schools defined in paragraphs (m), (n), or (o) of this section.

(g) *Hospital* means general, tuberculosis, mental, and other types of hospitals, and related facilities such as laboratories, outpatient departments, extended care facilities, facilities related to programs for home health services, self-care units, education or training facilities for health professions personnel operated as an integral part of a hospital, and central services facilities operated in connection with hospitals, but does not include any hospital providing primarily domiciliary care.

(h) *Indian or Indians* means, for purposes of Subdivisions J-2, J-3, J-4, and J-8 of this subpart, any person who is a member of an Indian tribe, as defined in paragraph (i) of this section or any individual who (1), irrespective of whether he or she lives on or near a reservation, is a member of a tribe,

band or other organized group terminated since 1940 and those recognized now or in the future by the State in which they reside, or who is the natural child or grandchild of any such member, or (2) is an Eskimo or Aleut or other Alaska Native, or (3) is considered by the Secretary of the Interior to be an Indian for any purpose, or (4) is determined to be an Indian under regulations promulgated by the Secretary.

(i) *Indian health organization* means a nonprofit corporate body composed of Indians which provides for the maximum participation of all interested Indian groups and individuals and which has the provision of health programs as its principal function.

(j) *Indian tribe* means any Indian tribe, band, nation, or other organized group or community, including any Alaska native village or group or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 *et seq.*), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(k) *Nonprofit* as applied to any private entity means that no part of the net earnings of such entity inures or may lawfully inure to the benefit of any private shareholder or individual.

(l) [Reserved]

(m) *School of allied health professions* means a junior college, college, or university—

(1) Which provides, or can provide, programs of education leading to a certificate, or to an associate or baccalaureate degree (or the equivalent or either), or to a higher degree for preparing personnel with responsibilities for supporting, complementing, or supplementing the professional functions of physicians, dentists, and other health professionals in the delivery of health care to patients or assisting environmental engineers and others in environmental health control and preventive medicine activities.

(2) Which, if in a college or university which does not include a teaching hospital or in a junior college, is affiliated through a written agreement with one or more hospitals which provide the hospital component of the

clinical training required for completion of such programs of education. The written agreement shall be executed by individuals authorized to act for their respective institutions and to assume on behalf of their institution the obligations imposed by such agreement. The agreement shall provide:

(i) A description of the responsibilities of the school of allied health professions, the responsibilities of the hospital, and their joint responsibilities with respect to the clinical components of such programs of education; and

(ii) A description of the procedure by which the school of allied health professions and the hospital will coordinate the academic and clinical training of students in such programs of education; and

(iii) That, with respect to the clinical component of each such program of education, the teaching plan and resources have been jointly examined and approved by the appropriate faculty of the school of allied health professions and the staff of the hospital.

(3) Which is accredited or assured accreditation by a recognized body or bodies approved for such purpose by the Commissioner of Education of the Department of Health and Human Services.

(n) *School of medicine, school of dentistry, school of osteopathy, school of pharmacy, school of optometry, school of podiatry, school of veterinary medicine, and school of public health* means a school which provides training leading, respectively, to a degree of doctor of medicine, a degree of doctor of dental surgery or an equivalent degree, a degree of doctor of osteopathy, a degree of bachelor of science in pharmacy or an equivalent degree, a degree of doctor of podiatry or an equivalent degree, and graduate degree in public health, and including advanced training related to such training provided by any such school, and is accredited or assured accreditation by a recognized body or bodies approved for such purpose by the Commissioner of Education of the Department of Health and Human Services.

(o) *School of nursing* means a collegiate, associate degree, or diploma school of nursing, as those terms are defined below:

(1) The term *collegiate school of nursing* means a department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing, and including advanced training related to such program of education provided by such school, but only if such program, or such unit, college or university is accredited;

(2) The term *associated degree school of nursing* means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree, but only if such program, or such unit, college or university is accredited;

(3) The term *diploma school of nursing* means a school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to equivalent indicia that such program has been satisfactorily completed, but only if such program, or such affiliated school or such hospital or university or such independent school is accredited.

(4) The term *accredited* as used in this subsection when applied to any program of nurse education means a program accredited or assured accreditation by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education of the Department of Health and Human Services and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited or assured accreditation by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education of the Department of Health and Human Services.

(p) *Secretary* means the Secretary of Health and Human Services and any

other Officer or employee of the Department of Health and Human Services to whom the authority involved has been delegated.

(q) *Service* means the Indian Health Service.

(r) *State or local government* means any public health or educational entity which is included within the definition of State or local government in 45 CFR 74.3 and Indian tribes or tribal organizations.

(s) *Tribal organization* means the elected governing body of any Indian tribe or any legally established organization of Indians which is controlled by one or more such bodies or by a board of directors elected or selected by one or more such bodies (or elected by the Indian population to be served by such organization) and which includes the maximum participation of Indians in all phases of its activities.

(t) *Urban center* means any city, with a population of 10,000 or more as determined by the United States Census Bureau, which the Secretary determines has a sufficient urban Indian population with unmet health needs to warrant assistance under title V of the Act.

(u) *Urban Indian* means any individual who resides in an urban center, as defined in paragraph(s) of this section, and who meets one or more of the four criteria in paragraphs (h) (1) through (4) of this section.

(v) *Urban Indian organization* means a nonprofit corporate body situated in an urban center which:

(1) Is governed by an Indian controlled board of directors:

(2) Has the provision of health programs as:

(i) Its principal function, or

(ii) One of its major functions and such health programs are administered by a distinct organizational unit within the organization.

(3) Provides for the maximum participation of all interested Indian groups and individuals; and

(4) Is capable of legally cooperating with other public and private entities for the purpose of performing the activities described in §36.350(a) of Subdivision J-6 of this subpart. Except,

that criteria (2) and (3) of this subsection shall not apply to an organization administering an urban Indian health project under a contract with the Secretary prior to October 1, 1977, for the period of such contract or until July 1, 1978, whichever is later.

[42 FR 59646, Nov. 18, 1977, as amended at 49 FR 7381, Feb. 29, 1984; 50 FR 1855, Jan. 14, 1985]

**§ 136.303 Indians applying for scholarships.**

(a) For purposes of scholarship grants under Subdivisions J-3 and J-4 of this subpart, Indian applicants must submit evidence of their tribal membership (or other evidence that that applicant is an Indian as defined in paragraph (h) of § 136.302 of this subdivision) satisfactory to the Secretary.

(b) Where an applicant is a member of a tribe recognized by the Secretary of the Interior, the applicant must submit evidence of his or her tribal membership, such as:

(1) Certification of tribal enrollment by the Secretary of the Interior acting through the Bureau of Indian Affairs (BIA); or

(2) In the absence of such BIA certification, documentation that the applicant meets the requirements of tribal membership as prescribed by the charter, articles of incorporation or other legal instrument of the tribe and has been officially designated a tribal member by an authorized tribal official; or

(3) Other evidence of tribal membership satisfactory to the Secretary.

(c) Where the applicant is a member of a tribe terminated since 1940 or a State recognized tribe, the applicant must submit documentation that the applicant meets the requirements of tribal membership as prescribed by the charter, articles of incorporation or other legal instrument of the tribe and has been officially designated a tribal member by an authorized tribal official; or other evidence, satisfactory to the Secretary, that the applicant is a member of the tribe. In addition, if the terminated or State recognized tribe of which the applicant is a member is not on a list of such tribes published by the Secretary in the FEDERAL REGISTER, the applicant must submit documenta-

tion as may be required by the Secretary that the tribe is a tribe terminated since 1940 or is recognized by the State in which the tribe is located in accordance with the law of that State.

(d) An applicant who is not a tribal member, but who is a natural child or grandchild of a tribal member as defined in paragraph (h) of § 36.302 of this subdivision must submit evidence of such fact which is satisfactory to the Secretary, in addition to evidence of his or her parent's or grandparent's tribal membership in accordance with paragraphs (b) and (c) of this section.

[42 FR 59646, Nov. 18, 1977. Redesignated and amended at 67 FR 35342, May 17, 2002]

**§ 136.304 Publication of a list of allied health professions.**

The Secretary, acting through the Service, shall publish from time to time in the FEDERAL REGISTER a list of the allied health professions for consideration for the award of preparatory and Indian Health scholarships under subdivisions J-3 and J-4 of this Subpart, based upon his determination of the relative needs of Indians for additional service in specific allied health professions. In making that determination, the needs of the Service will be given priority consideration.

**§ 136.305 Additional conditions.**

The Secretary may, with respect to any grant award under this subpart, impose additional conditions prior to or at the time of any award when in his judgment such conditions are necessary to assure or protect advancement of the approved project, the interests of the public health, or the conservation of grant funds.

*NOTE: Nondiscrimination.* Grants and contracts under this subpart are exempted from the requirements of section 601 of the Civil Rights Act of 1964 (42 U.S.C. 2000d), prohibiting discrimination on the basis of race, color or national origin, by regulation at 45 CFR 80.3(d) which provides, with respect to Indian Health Services, that "An individual shall not be deemed subjected to discrimination by reason of his exclusion from the benefits of a program limited by Federal law to individuals of a particular race, color, or national origin different from his."

[42 FR 59646, Nov. 18, 1977, as amended at 50 FR 1855, Jan. 14, 1985]

## § 136.310

### SUBDIVISION J-2—HEALTH PROFESSIONS RECRUITMENT PROGRAM FOR INDIANS

#### § 136.310 Health professions recruitment grants.

Grants awarded under this subdivision, in accordance with section 102 of the Act, are for the purpose of assisting in meeting the costs of projects to:

(a) Identify Indians with a potential for education or training in the health professions and encouraging and assisting them (1) To enroll in schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, public health, nursing, or allied health professions; or (2), if they are not qualified to enroll in any such school, to undertake such post-secondary education or training as may be required to qualify them for enrollment;

(b) Publicize existing sources of financial aid available to Indians enrolled in any school referred to in paragraph (a)(1) of this section or who are undertaking training necessary to qualify them to enroll in any such school; or

(c) Establish other programs which the Secretary determines will enhance and facilitate the enrollment of Indians, and the subsequent pursuit and completion by them of courses of study, in any school referred to in paragraph (a)(1) of this section.

#### § 136.311 Eligibility.

Any Indian tribe, tribal organization, urban Indian organization, Indian health organization or any public or other nonprofit private health or educational entity is eligible to apply for a health professions recruitment grant under this subdivision.

#### § 136.312 Application.

(a) Forms for applying for grants are governed by 45 CFR part 74, subpart N.<sup>1</sup>

(b) In addition to such other pertinent information as the Secretary may require, the application for a health

<sup>1</sup>Applications and instructions may be obtained from the appropriate Indian Health Service Area or Program Office or by writing the Director, Indian Health Service, Room 5A-55, 5600 Fishers Lane, Rockville, MD 20857.

## 42 CFR Ch. I (10-1-03 Edition)

professions recruitment grant shall contain the following:

(1) A description of the legal status and organization of the applicant;

(2) A description of the current and proposed participation of Indians (if any) in the applicant's organization.

(3) A description of the target Indian population to be served by the proposed project and the relationship of the applicant to that population;

(4) A narrative description of the nature, duration, purpose, need for and scope of the proposed project and of the manner in which the applicant intends to conduct the project including:

(i) Specific measurable objectives for the proposed project;

(ii) How the described objectives are consistent with the purposes of section 102 of the Act;

(iii) The work and time schedules which will be used to accomplish each of the objectives;

(iv) A description of the administrative, managerial, and organizational arrangements and the facilities and resources to be utilized to conduct the proposed project;

(v) The name and qualifications of the project director or other individual responsible for the conduct of the project; the qualifications of the principal staff carrying out the project; and a description of the manner in which the applicant's staff is or will be organized and supervised to carry out the proposed project;

(5) An itemized budget for the budget period (normally 12 months) for which support is sought and justification of the amount of grant funds requested;

(6) The intended financial participation, if any, of the applicant in the proposed project specifying the type of contributions such as cash or services, loans of full or part-time staff, equipment, space, materials or facilities or other contributions;

(7) When the target population of a proposed project includes a particular Indian tribe or tribes, an official document in such form as is prescribed by the tribal governing body of each such tribe indicating that the tribe or tribes will cooperate with the applicant.

(c) In the case of proposed projects for identification of Indians with a potential for education or training in the

health professions, applications must include a method of assessing the potential of interested Indians for undertaking necessary education or training in the health professions. Proposed projects may include, but are not limited to, the following activities:

(1) Identifying Indian elementary and secondary school students through observations, aptitude or other testing, academic performance, performance in special projects and activities, and other methods as may be designed or developed;

(2) Identifying Indians in college or university programs, related employment, upward mobility programs or other areas of activity indicative of interest and potential;

(3) Review of the upward mobility plans, skills, banks etc. of organizations employing Indians to identify individuals with appropriate career orientations, expression of interest, or recognized potential;

(4) Conducting workshops, health career days, orientation projects or other activities to identify interested Indians at any age level;

(5) Performing liaison activities with Indian professional organizations, Indian education programs (including adult education), Indian school boards, Indian parent, youth recreation or community groups, or other Indian special interest or activity groups;

(6) Identifying those Indians with an interest and potential who cannot undertake compensatory education or training in the health professions because of financial need.

(d) Proposed projects designed to encourage and assist Indians to enroll in health professions schools; or, if not qualified to enroll, to undertake post-secondary education or training required to qualify them for enrollment may include, but are not limited to, the following activities:

(1) Providing technical assistance and counseling to encourage and assist Indians identified as having a potential for education or training in the health professions—

(i) To enroll in health professions schools.

(ii) To undertake any post-secondary education and training required to

qualify them to enroll in health professions schools, and

(iii) To obtain financial aid to enable them to enroll in health professions schools or undertake post-secondary education or training required to qualify them to enroll in such schools;

(2) Conducting programs to (i) identify factors such as deficiencies in basic communication, research, academic subject matter (such as science, mathematics, etc.), or other skills which may prevent or discourage Indians from enrolling in health professions schools or undertaking the post-secondary education or training required to qualify them to enroll, and (ii) provide counseling and technical assistance to Indians to assist them in undertaking the necessary education, training or other activities to overcome such factors.

(e) Proposed projects to publicize existing kinds of financial aid available to Indians enrolled in health professions schools or to Indians undertaking training necessary to qualify them to enroll in such schools may include, but are not limited to, the following activities:

(1) Collecting information on available sources of financial aid and disseminating such information to Indian students, Indians, recruited under programs assisted by grants under this subdivision and to Indian tribes, tribal organizations, urban Indian organizations, Indian health organizations and other interested groups and communities throughout the United States;

(2) Providing information on available sources of financial aid which can be utilized by programs and counselors assisting Indians to obtain financial aid.

(f) Proposed projects for establishment of other programs which will enhance or facilitate enrollment of Indians in health professions schools and the subsequent pursuit and completion by them of courses of study in such schools may include, but are not limited to, the following activities:

(1) Compilation and dissemination of information on—

(i) Health professions education or training programs and the requirements for enrollment in such programs; and

(ii) Post-secondary education or training curricula and programs designed to qualify persons for enrollment in health professions schools;

(2) Developing and coordinating career orientation programs in local schools (including high schools) and colleges and universities;

(3) Developing programs to enable Indians to gain exposure to the health professions such as arranging for (i) visits to health care facilities and programs and meetings or seminars with health professionals, (ii) part-time summer or rotating employment in health care facilities, programs, or offices of health professionals, (iii) volunteer programs, or (iv) other means of providing such exposure;

(4) Developing programs which relate tribal culture and tradition, including native medicine, to careers in the health professions; and

(5) Developing programs to make Indians aware of projected health manpower needs, expected employment opportunities in the health professions, and other factors in order to orient and motivate Indians to pursue careers in the health professions.

[42 FR 59646, Nov. 18, 1977, as amended at 50 FR 1855, Jan. 14, 1985]

**§ 136.313 Evaluation and grant awards.**

(a) Within the limits of funds available for such purpose, the Secretary, acting through the Service, may award health professions recruitment grants to those eligible applicants whose proposed projects will in his judgment best promote the purposes of section 102 of the Act, taking into consideration:

(1) The potential effectiveness of the proposed project in carrying out such purposes;

(2) The capability of the applicant to successfully conduct the project;

(3) The accessibility of the applicant to target Indian communities or tribes, including evidence of past or potential cooperation between the applicant and such communities or tribes;

(4) The relationship of project objectives to known or anticipated Indian health manpower deficiencies;

(5) The soundness of the fiscal plan for assuring effective utilization of grant funds;

(6) The completeness of the application.

(b) Preference shall be given to applicants in the following order or priority:

(1) Indian tribes, (2) tribal organizations, (3) urban Indian organizations and other Indian health organizations, and (4) public and other nonprofit profit private health or educational entities.

(c) The Notice of Grant Awards specifies how long the Secretary intends to support the project period without requiring the project to re-compete for funds. This period, called the project period, will usually be for one to two years. The total project period comprises the original project period and any extension. Generally the grant will be for a one year budget period, any subsequent award will also be a one year budget period. A grantee must submit a separate application for each subsequent year. Decisions regarding continuation awards and the funding level of such awards will be made after consideration of such factors as the grantee's progress and management practices, and the availability of funds. In all cases, awards require a determination by the Secretary that funding is in the best interest of the Federal Government.

(d) Neither the approval of any application nor the award of any grant commits or obligates the Federal Government in any way to make any additional, supplemental, continuation, or other award with respect to any approved application or portion of an approved application.

[42 FR 59646, Nov. 18, 1977, as amended at 50 FR 1855, Jan. 14, 1985]

**§ 136.314 Use of funds.**

A grantee shall only spend funds it receives under this subpart according to the approved application and budget, the regulations of this subpart, the terms and conditions of the award, and the applicable cost principles prescribed in subpart Q of 45 CFR part 74.

[50 FR 1855, Jan. 14, 1985]

**§ 136.315 Publication of list of grantees and projects.**

The Secretary acting through the Service shall publish annually in the

## Public Health Service, HHS

## § 136.322

FEDERAL REGISTER a list of organizations receiving grants under this subdivision including for each grantee:

- (a) The organization's name and address;
- (b) The amount of the grant;
- (c) A summary of the project's purposes and its geographic location.

### § 136.316 Other HHS regulations that apply.

Several other regulations apply to grants under this subdivision. These include but are not limited to:

- 42 CFR part 50, subpart D, Public Health Service grant appeals procedure
- 42 CFR part 16, Procedures of the Departmental Grant Appeals Board
- 45 CFR part 74, Administration of grants
- 45 CFR part 75, Informal grant appeals procedures
- 45 CFR part 84, Nondiscrimination on the basis of handicap in programs and activities receiving or benefiting from Federal financial assistance
- 45 CFR part 86, Nondiscrimination on the basis of sex in education programs and activities receiving or benefiting from Federal financial assistance
- 45 CFR part 91, Nondiscrimination on the basis of age in HHS programs or activities receiving Federal financial assistance

[50 FR 1855, Jan. 14, 1985]

### SUBDIVISION J-3—HEALTH PROFESSIONS PREPARATORY SCHOLARSHIP PROGRAM FOR INDIANS

### § 136.320 Preparatory scholarship grants.

Scholarship grants may be awarded under this subdivision and section 103 of the act for the period (not to exceed two academic years) necessary to complete a recipient's compensatory preprofessional education to enable the recipient to qualify for enrollment or re-enrollment in a health professions school. Examples of individuals eligible for such grants are the individual who:

- (a) Has completed high school equivalency and needs compensatory preprofessional education to enroll in a health professions school;
- (b) Has a baccalaureate degree and needs compensatory preprofessional education to qualify for enrollment in a health professions school; or
- (c) Has been enrolled in a health professions school but is no longer so enrolled and needs preprofessional edu-

cation to qualify for readmission to a health professions school.

### § 136.321 Eligibility.

To be eligible for a preparatory scholarship grant under this subdivision an applicant must:

- (a) Be an Indian;
- (b) Have successfully completed high school education or high school equivalency;
- (c) Have demonstrated to the satisfaction of the Secretary the desire and capability to successfully complete courses of study in a health professions school;
- (d) Be accepted for enrollment in or be enrolled in any compensatory preprofessional education course or curriculum meeting the criteria in § 136.320 of this subdivision; and
- (e) Be a citizen of the United States.

[42 FR 59646, Nov. 18, 1977. Redesignated and amended at 67 FR 35342, May 17, 2002]

### § 136.322 Application and selection.

(a) An application for a preparatory scholarship grant under this subdivision shall be submitted in such form and at such time as the Secretary acting through the Service may prescribe.<sup>1</sup> However, an application must indicate:

- (1) The health profession which the applicant wishes to enter, and
- (2) Whether the applicant intends to provide health services to Indians upon completion of health professions education or training by serving as described in § 136.332 or otherwise as indicated on the application.

(b) Within the limits of funds available for the purpose, the Secretary, acting through the Service, shall make scholarship grant awards for a period not to exceed two academic years of an individual's compensatory preprofessional education to eligible applicants taking into consideration:

- (1) Academic performance;
- (2) Work experience;
- (3) Faculty recommendations;
- (4) Stated reasons for asking for the scholarship; and

<sup>1</sup>Applications and instructions may be obtained from the appropriate Indian Health Service Area or Program Office.

### § 136.323

(5) The relative needs of the Service and Indian health organizations for persons in specific health professions.

[42 FR 59646, Nov. 18, 1977, as amended at 49 FR 7381, Feb. 29, 1984. Redesignated and amended at 67 FR 35342, May 17, 2002]]

### § 136.323 Scholarship and tuition.

(a) Scholarship grant awards under this subdivision shall consist of:

(1) A stipend of \$400 per month adjusted in accordance with paragraph (c) of this section; and

(2) An amount determined by the Secretary for transportation, tuition, fees, books, laboratory expenses, and other necessary educational expenses.

(b) The portion of the scholarship for the costs of tuition and fees as indicated in the grant award will be paid directly to the school upon receipt of an invoice from the school. The stipend and remainder of the scholarship grant award will be paid monthly to the grantee under the conditions specified in the grant award.

(c) The amount of the monthly stipend specified in paragraph (a)(1) of this section shall be adjusted by the Secretary for each academic year ending in a fiscal year beginning after September 30, 1978, by an amount (rounded down to the next lowest multiple of \$1) equal to the amount of such stipend multiplied by the overall percentage (as set forth in the report transmitted to the Congress under section 5305 of title 5, United States Code) of the adjustment in the rates of pay under the General Schedule made effective in the fiscal year in which such academic year ends.

[42 FR 59646, Nov. 18, 1977, as amended at 49 FR 7381, Feb. 29, 1984]

### § 136.324 Availability of list of recipients.

The Indian Health Service will provide to any persons requesting it a list of the recipients of scholarship grants under this subdivision, including the school attended and tribal affiliation of each recipient.

[49 FR 7381, Feb. 29, 1984]

## 42 CFR Ch. I (10–1–03 Edition)

### SUBDIVISION J–4—INDIAN HEALTH SCHOLARSHIP PROGRAM

### § 136.330 Indian health scholarships.

Indian Health Scholarships will be awarded by the Secretary pursuant to 338A through 339G of the Public Health Service Act, and such implementing regulations as may be promulgated by the Secretary except as set out in this subdivision for the purpose of providing scholarships to Indian and other students at health professions schools in order to obtain health professionals to serve Indians.

[42 FR 59646, Nov. 18, 1977, as amended at 50 FR 1855, Jan. 14, 1985]

### § 136.331 Selection.

(a) The Secretary, acting through the Service, shall determine the individuals who receive Indian Health Scholarships.

(b) Priority shall be given to applicants who are Indians.

### § 136.332 Service obligation.

The service obligation provided in section 338G(b)(2) of the Public Health Service Act shall be met by the recipient of an Indian Health Scholarship by service in:

(a) The Indian Health Service.

(b) An urban Indian organization assisted under Subdivision J–6.

(c) In private practice of his or her profession if, the practice (1) is situated in a health manpower shortage area, designated under section 332 of the Public Health Service Act and (2) addresses the health care needs of a substantial number of Indians as determined by the Secretary in accordance with guidelines of the Service.

[42 FR 59646, Nov. 18, 1977, as amended at 50 FR 1855, Jan. 14, 1985]

### § 136.333 Distribution of scholarships.

The Secretary, acting through the Service, shall determine the distribution of Indian Health Scholarships among the health professions based upon the relative needs of Indians for additional service in specific health professions. In making that determination the needs of the Service will be

given priority consideration. The following factors will also be considered:

- (a) The professional goals of recipients of scholarships under section 103 of the Indian Health Care Improvement Act; and
- (b) The professional areas of study of Indian applicants.

**§ 136.334 Publication of a list of recipients.**

The Secretary, acting through the Service, will publish annually in the FEDERAL REGISTER a list of recipients of Indian Health Scholarships, including the name of each recipient, tribal affiliation if applicable, and school.

SUBDIVISION J-5—CONTINUING  
EDUCATION ALLOWANCES

**§ 136.340 Provision of continuing education allowances.**

In order to encourage physicians, dentists and other health professionals to join or continue in the Service and to provide their services in the rural and remote areas where a significant portion of the Indian people reside, the Secretary, acting through the Service, may provide allowances to health professionals, employed in the Service in order to enable them to leave their duty stations for not to exceed 480 hours of professional consultation and refresher training courses in any one year.

SUBDIVISION J-6—CONTRACTS WITH  
URBAN INDIAN ORGANIZATIONS

**§ 136.350 Contracts with Urban Indian organizations.**

(a) The Secretary, acting through the Service, to the extent that funds are available for the purpose, shall contract with urban Indian organizations selected under § 136.351 of this subdivision to carry out the following activities in the urban centers where such organizations are situated:

- (1) Determine the population of urban Indians which are or could be recipients of health referral or care services;
- (2) Identify all public and private health service resources within the urban center in which the organization is situated which are or may be available to urban Indians;

(3) Assist such resources in providing service to such urban Indians;

(4) Assist such urban Indians in becoming familiar with and utilizing such resources;

(5) Provide basic health education to such urban Indians;

(6) Establish and implement manpower training programs to accomplish the referral and education tasks set forth in paragraphs (a)(3) through (5) of this section;

(7) Identify gaps between unmet health needs of urban Indians and the resources available to meet such needs;

(8) Make recommendations to the Secretary and Federal, State, local, and other resource agencies on methods of improving health service programs to meet the needs of urban Indians; and

(9) Prove or contract for health care services to urban Indians where local health delivery resources are not available, not accessible, or not acceptable to the urban Indians to be served.

(b) Contracts with urban Indian organizations pursuant to this title shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and need not conform to the provisions of the Act of August 24, 1935 as amended, (The Miller Act, 40 U.S.C. 270a *et seq.* which is concerned with bonding requirements).

(c) Payments under contracts may be made in advance or by way of reimbursement and in such installments and on such conditions as the Secretary deems necessary to carry out the purposes of title V of the Act.

(d) Notwithstanding any provision of law to the contrary, the Secretary may, at the request or consent of an urban Indian organization, revise or amend any contract made by him with such organization pursuant to this subdivision as necessary to carry out the purposes of title V of this Act: Provided, however, that whenever an urban Indian organization requests retrocession of the Secretary for any such contract, retrocession shall become effective upon a date specified by the Secretary not more than one hundred and twenty days from the date of the request by the organization or at such

## § 136.351

## 42 CFR Ch. I (10–1–03 Edition)

later date as may be mutually agreed to by the Secretary and the organization.

(e) In connection with any contract made pursuant to this subdivision, the Secretary may permit an urban Indian organization to utilize, in carrying out such contract, existing facilities owned by the Federal Government within his jurisdiction under such terms and conditions as may be agreed upon for their use and maintenance.

### § 136.351 Application and selection.

(a) Proposals for contracts under this subdivision shall be submitted in such form and manner and at such time as the Secretary acting through the Service may prescribe.

(b) The Secretary, acting through the Service shall select urban Indian organizations with which to contract under this subdivision whose proposals will in his judgment best promote the purposes of title V of the Act taking into consideration the following factors:

(1) The extent of the unmet health care needs of the urban Indians in the urban center involved determined on the basis of the latest available statistics on disease incidence and prevalence, life expectancy, infant mortality, dental needs, housing conditions, family income, unemployment statistics, etc.

(2) The urban Indian population which is to receive assistance in the following order of priority:

- (i) 9,000 or more;
- (ii) 4,500 to 9,000;
- (iii) 3,000 to 4,500;
- (iv) 1,000 to 3,000;
- (v) Under 1,000.

(3) The relative accessibility which the urban Indian population to be served has to health care services, in the urban center. Factors to be considered in determining relative accessibility include:

- (i) Cultural barriers;
- (ii) Discrimination against Indians;
- (iii) Inability to pay for health care;
- (iv) Lack of facilities which provide free care to indigent persons;
- (v) Lack of state or local health programs;
- (vi) Technical barriers created by State and local health agencies;

(vii) Availability of transportation to health care services;

(viii) Distance between Indian residences and the nearest health care facility.

(4) The extent to which required activities under § 136.350(a) of this subdivision would duplicate any previous or current public or private health services projects in the urban center funded by another source. Factors to be considered in determining duplication include:

(i) Urban Indian utilization of existing health services funded by other sources;

(ii) Urban Indian utilization of existing health services delivered by an urban Indian organization funded by other sources.

(5) The appropriateness and likely effectiveness of the activities required in § 136.350(a) of this subdivision in the urban center involved.

(6) The capability of the applicant urban Indian organization to perform satisfactorily the activities required in § 136.350(a) of this subdivision and to contract with the Secretary.

(7) The extent of existing or likely future participation in the activities required in § 136.350(a) of this subdivision by appropriate health and health related Federal, State, local, and other resource agencies.

(8) Whether the city has an existing urban Indian health program.

(9) The applicant organization's record of performance, if any, in regard to any of the activities required in § 136.350(a) of this subdivision.

(10) Letters demonstrating local support for the applicant organization from both the Indian and non-Indian communities in the urban center involved.

[42 FR 59646, Nov. 18, 1977; 42 FR 61861, Dec. 7, 1977. Redesignated and amended at 67 FR 35342, May 17, 2002]

### § 136.352 Fair and uniform provision of services.

Contracts with urban Indian organizations under this subdivision shall incorporate the following clause:

The Contractor agrees, consistent with medical need, and the efficient provision of medical services to make no discriminatory distinctions against

## Public Health Service, HHS

## § 136.372

Indian patients or beneficiaries of this contract which are inconsistent with the fair and uniform provision of services.

### § 136.353 Reports and records.

For each fiscal year during which an urban Indian organization receives or expends funds pursuant to a contract under this title, such organization shall submit to the Secretary a report including information gathered pursuant to § 136.350(a) (7) and (8) of this subdivision, information on activities conducted by the organization pursuant to the contract, an accounting of the amounts and purposes for which Federal funds were expended, and such other information as the Secretary may request. The reports and records of the urban Indian organization with respect to such contract shall be subject to audit by the Secretary and the Comptroller General of the United States.

[42 FR 59646, Nov. 18, 1977. Redesignated and amended at 67 FR 35342, May 17, 2002]

### SUBDIVISION J-7—LEASES WITH INDIAN TRIBES

### § 136.360 Leases with Indian tribes.

(a) Any land or facilities otherwise authorized to be acquired, constructed, or leased to carry out the purposes of the Act may be leased or subleased from Indian tribes for periods not in excess of twenty years.

(b) Leases entered into pursuant to paragraph (a) shall be subject to the requirements of section 322 of the Economy Act (40 U.S.C. 278a), which limits expenditures for rent and alterations, improvements and repairs on leased buildings.

### SUBDIVISION J-8—HEALTH PROFESSIONS PREGRADUATE SCHOLARSHIP PROGRAM FOR INDIANS

SOURCE: 49 FR 7381, Feb. 29, 1984, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002.

### § 136.370 Pregraduate scholarship grants.

(a) Pregraduate scholarship grants may be awarded under this subdivision and section 103 of the Act for the pe-

riod (not to exceed four academic years) necessary to complete a recipient's pregraduate education leading to a baccalaureate degree in a premedicine, preoptometry, predentistry, preosteopathy, preveterinary medicine, or prepodiatry curriculum or equivalent.

(b) Students enrolled in accredited health professional or allied health professional programs which lead to eligibility for licensure, certification, registration or other types of credentials required for the practice of a health or allied health profession are ineligible for scholarships under this subdivision. Examples of health professions and allied health professions that will not be considered for funding include but are not limited to: nursing, audiology, medical technology, dental hygiene, dental technicians, engineering, radiologic technology, dietitian, nutritionist, social work, health education, physical therapy, occupational therapy and pharmacy. Scholarships for students in these programs are provided under Subdivision J-4 of this subpart.

### § 136.371 Eligibility.

To be eligible for a pregraduate scholarship grant under this subdivision an applicant must:

- (a) Be an Indian;
- (b) Have successfully completed high school education or high school equivalency;
- (c) Have demonstrated to the satisfaction of the Secretary the desire and capability to successfully complete courses of study in a pregraduate education program meeting the criteria in § 136.370;
- (d) Be accepted for enrollment in or be enrolled in any accredited pregraduate education curriculum meeting the criteria in § 136.370 of this subdivision; and
- (e) Be a citizen of the United States.

[49 FR 7381, Feb. 29, 1984. Redesignated and amended at 67 FR 35342, May 17, 2002]

### § 136.372 Application and selection.

(a) An application for a pregraduate scholarship grant under this subdivision shall be submitted in such form and at such time as the Secretary may

### § 136.373

prescribe. However, an application must indicate:

(1) The pregraduate program in which the applicant is or wishes to enter, and

(2) Whether the applicant intends to provide health services to Indians upon completion of health professions education or training by serving as described in § 136.332 or otherwise as indicated on the application.

(b) Within the limits of available funds, the Director, IHS, shall make pregraduate scholarship grant awards for a period not to exceed four academic years of an individual's pregraduate education to eligible applicants taking into consideration:

(1) Academic performance;

(2) Work experience;

(3) Faculty or employer recommendation;

(4) Stated reasons for asking for the scholarship; and

(5) The relative needs of the IHS and Indian health organizations for persons in specific health professions.

(Approved by the Office of Management and Budget under control number 0915-0080)

[49 FR 7381, Feb. 29, 1984. Redesignated and amended at 67 FR 35342, May 17, 2002]

### § 136.373 Scholarship and tuition.

(a) Scholarship grant awards under this subdivision shall consist of:

(1) A stipend of \$400 per month adjusted in accordance with paragraph (c) of this section; and

(2) An amount determined by the Secretary for transportation, tuition, fees, books, laboratory expenses and other necessary educational expenses.

(b) The portion of the scholarship for the costs of tuition and fees as indicated in the grant award will be paid directly to the school upon receipt of an invoice from the school. The stipend and remainder of the scholarship grant award will be paid monthly to the grantee under the conditions specified in the grant award.

(c) The amount of the monthly stipend specified in paragraph (a)(1) of this section shall be adjusted by the Secretary for each academic year ending in a fiscal year beginning after September 30, 1978, by an amount (rounded down to the next lowest multiple of \$1) equal to the amount of such stipend multiplied by the overall percentage

### 42 CFR Ch. I (10-1-03 Edition)

(as set forth in the report transmitted to the Congress under section 5305 of title 5, United States Code) of the adjustment in the rates of pay under the General Schedule made effective in the fiscal year in which such academic year ends.

### § 136.374 Availability of list of recipients.

The IHS will provide to any person requesting it a list of the recipients of scholarship grants under this subdivision, including the school attended and tribal affiliation of each recipient.

## Subpart K—Indian Child Protection and Family Violence Prevention

SOURCE: 67 FR 59467, Sept. 23, 2002, unless otherwise noted.

### § 136.401 Purpose.

(a) The purpose of the regulations in this subpart is to establish minimum standards for Federal employees working in the Indian Health Service (IHS), including standards of character to ensure that individuals having regular contact with or control over Indian children have not been convicted of certain types of crimes as mandated by section 408 of the Indian Child Protection and Family Violence Prevention Act (the "Act"), Public Law (Pub. L.) 101-630, 104 Stat. 4544, 25 U.S.C. 3201-3211, as amended by section 814 of the Native American Laws Technical Corrections Act of 2000. In order to implement these minimum standards of character, these regulations also address:

(1) The efficiency standards to ensure that individuals are qualified for the positions they hold or seek, as mandated by Section 408 of the Act.

(2) Fitness standards to ensure child care service employees are fit to have responsibility for the safety and well-being of children, as mandated by Section 231 of the Crime Control Act of 1990, Pub. L. 101-647, 42 U.S.C. 13041.

(3) Suitability standards to ensure that individuals have not acted in a manner that places others at risk or raised questions about their trustworthiness, as mandated by 5 CFR part 731.

(b) The Act requires that Tribes or Tribal organizations who receive funds under the Indian Self-Determination and Education Assistance Act (ISDEA), Pub. L. 93-638, employ individuals in positions involving regular contact with or control over Indian children only if the individuals meet standards of character no less stringent than those prescribed under these regulations. Thus, the minimum standards of character as defined in these regulations will become the basis for Tribes or Tribal organizations to use when developing their own minimum standards of character that cannot be less stringent than as prescribed herein.

**§ 136.402 Policy.**

In enacting the Indian Child Protection and Family Violence Prevention Act, (the "Act") the Congress recognized there is no resource more vital to the continued existence and integrity of Indian Tribes than their children and that the United States has a direct interest, as trustee, in protecting Indian children who are members of, or are eligible for membership in, an Indian Tribe. The minimum standards of character as prescribed by the regulations in this subpart are intended to ensure that Indian children are protected.

**§ 136.403 Definitions.**

*Crimes against Persons* means a crime that has as an element the use, attempted use, or threatened use of physical force or other abuse of a person and includes, but is not limited to, homicide; assault; kidnapping; false imprisonment; reckless endangerment; robbery; rape; sexual assault, molestation, exploitation, contact, or prostitution; and other sexual offenses. In determining whether a crime falls within this category, the applicable Federal, State, or Tribal law under which the individual was convicted or pleaded guilty or nolo contendere shall be controlling.

*Crimes of violence* means a crime that has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or any other crime that is a felony and that, by its nature, involves substantial risk that physical force

against the person or property of another may be used in the course of committing the crime. In determining whether a crime falls within this category, reference may be made to the applicable Federal, State, or Tribal law under which the individual was convicted or pleaded guilty or nolo contendere.

*Indian* means any individual who is a member of an Indian Tribe, as defined below.

*Indian child* means any unmarried person under the age of eighteen who is either a member of an Indian Tribe or eligible for membership in an Indian Tribe and is the biological child of a member of an Indian Tribe.

*Indian Tribe* means any Indian Tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, 43 U.S.C. 1601 et seq., which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

*Individuals* means persons with duties and responsibilities that involve regular contact with or control over Indian children and includes but is not limited to the following:

(a) Persons in the competitive or expected service (including temporary employment), the Commissioned Corps, or the Senior Executive Service in the IHS;

(b) Persons who perform service for or under the supervision of the IHS while being permanently assigned to another IHS office or to another organization, such as a Federal agency, State, or Tribe;

(c) Persons who volunteer to perform services in IHS facilities;

(d) Persons who contract with the IHS to perform services in IHS facilities.

*Must or shall* indicates a mandatory or imperative act or requirement.

*Offenses against children* means any felonious or misdemeanor crime under Federal, State, or Tribal law committed against a victim that has not attained the age of eighteen years. In determining whether a crime falls within this category, the applicable

§ 136.404

Federal, State, or Tribal law under which the individual was convicted or pleaded guilty or nolo contendere shall be controlling.

*Regular contact with or control over an Indian child* means responsibility for an Indian child(ren) within the scope of the individual's duties and responsibilities or contact with an Indian child(ren) on a recurring and foreseeable basis.

*Tribal Organization* as defined in the ISDEA, means the recognized governing body of any Indian Tribe or any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body or which is democratically elected by the adult members of the Indian community to be served by such organization and which includes the maximum participation of Indians in all phases of its activities.

**§ 136.404 What does the Indian Child Protection and Family Violence Prevention Act require of the IHS and Indian Tribes or Tribal organizations receiving funds under the ISDEA?**

(a) The IHS must compile a list of all authorized positions with duties and responsibilities that involve regular contact with or control over Indian children; investigate the character of each individual who is employed or is being considered for employment in such a position; and prescribe minimum standards of character that each individual must meet to be appointed or employed in such positions.

(b) All Indian Tribes or Tribal organizations receiving funds under the authority of the ISDEA must identify those positions that permit regular contact with or control over Indian children; conduct an investigation of the character of each individual who is employed or is being considered for employment in a position that involves regular contact with or control over Indian children; and employ only individuals who meet standards of character that are no less stringent than those prescribed by regulations in this subpart.

42 CFR Ch. I (10–1–03 Edition)

**§ 136.405 What are the minimum standards of character for individuals placed in, or applying for, a position that involves regular contact with or control over Indian children?**

The minimum standards of character shall mean a benchmark of moral, ethical, and emotional strengths established by character traits and past conduct to ensure that the individual is competent to complete his/her job without harm to Indian children. In order to protect Indian children, the IHS has established minimum standards of character requiring completion of a satisfactory background investigation that ensures that no individuals who have been found guilty of, or entered a plea of nolo contendere or guilty to, any felonious offense or any of two or more misdemeanor offenses under Federal, State, or Tribal law involving crimes of violence; sexual assault, molestation, exploitation, contact, or prostitution; crimes against persons; or offenses committed against children, are placed in positions involving regular contact with or control over Indian children.

**§ 136.406 Under what circumstances will the minimum standards of character be considered to be met?**

The minimum standards of character shall be considered met only after the individual has been the subject of a satisfactory background investigation. The background investigation shall include a review of:

(a) The individual's trustworthiness, through inquiries with the individual's references and places of employment and education;

(b) A criminal history background check, which includes a fingerprint check through the Criminal Justice Information Services Division of the Federal Bureau of Investigation (FBI), under procedures approved by the FBI, and inquiries to State and Tribal law enforcement agencies for the previous five years of residence listed on the individual's application; and

(c) A determination as to whether the individual has been found guilty of or entered a plea of nolo contendere or guilty to any felonious offense or any of two or more misdemeanor offenses

## Public Health Service, HHS

## § 136.411

under Federal, State, or Tribal law involving crimes of violence; sexual assault, molestation, exploitation, contact, or prostitution; crimes against persons; or offenses committed against children.

### **§ 136.407 Under what circumstances should a conviction, or plea of nolo contendere or guilty to, be considered if there has been a pardon, expungement, set aside, or other court order of the conviction or plea?**

All convictions or pleas of nolo contendere or guilty to should be considered in making a determination unless a pardon, expungement, set aside or other court order reaches the plea of guilty, plea of nolo contendere, or the finding of guilt.

### **§ 136.408 What are other factors, in addition to the minimum standards of character, that may be considered in determining placement of an individual in a position that involves regular contact with or control over Indian children?**

(a) All Federal employees are subject to suitability criteria contained in 5 CFR part 731 as a condition of employment.

(b) Section 231 of the Crime Control Act of 1990, Pub. L. 101-647, 42 U.S.C. 13041, provides that an individual may be disqualified from consideration or continuing employment if such individual has been convicted of a sex crime, an offense involving a child victim or a drug felony, or any other crime if such conviction bears on an individual's fitness to have responsibility for the safety and well-being of children.

(c) Tribes or Tribal organizations may but are not required to apply additional criteria in determining whether an individual is suitable for a position with duties and responsibilities that involve regular contact with or control over Indian children. Any additional suitability criteria established by Tribes or Tribal organizations beyond the minimum standards of character described in § 136.405 and § 136.406 would be determined by each individual Tribe or Tribal organization in accordance with its own personnel policies and procedures.

### **§ 136.409 What positions require a background investigation and determination of eligibility for employment or retention?**

(a) All positions that allow an individual regular contact with or control over Indian children are subject to a background investigation and determination of eligibility for employment. The IHS has compiled a list of positions within the agency in which the duties and responsibilities could involve regular contact with or control over Indian children. The list will be periodically updated and made available at all IHS Personnel Offices upon request. Positions should be reviewed on a case-by-case basis to determine whether the individual in that position has regular contact with or control over Indian children.

(b) Tribes and Tribal organizations may use the list compiled by the IHS or develop their own procedures to determine within their program those positions that involve regular contact with or control over Indian children.

### **§ 136.410 Who conducts the background investigation and prepares determinations of eligibility for employment?**

(a) The IHS must use the Office of Personnel Management (OPM) to conduct background investigations for Federal employees. The IHS must designate qualified security personnel to adjudicate the results of background investigations.

(b) Indian Tribes and Tribal organizations may conduct their own background investigations, contract with private firms, or may request that a Federal or State agency conduct investigations. (FBI criminal history record information, however, may only be received or evaluated by governmental agencies, including Tribes or Tribal organizations as defined in these regulations at § 136.403, and may not be disseminated to private entities.)

### **§ 136.411 Are the requirements for IHS adjudication different from the requirements for Indian Tribes and Tribal organizations?**

Yes, in conducting background investigations and adjudicating eligibility for employment in Tribal positions

## § 136.412

that allow regular contact with or control over Indian children, Indian Tribes or Tribal organizations may, but are not required to, adopt portions of the rules in this subpart that are specifically applicable to employment with the IHS.

### **§ 136.412 What questions must the IHS ask as part of the background investigation?**

(a) Applications for employment with the IHS must include the following questions:

(1) Has the individual been arrested or charged with a crime involving a child? If yes, the individual must provide the date, explanation of the violation, disposition of the arrest or charge, place of occurrence, and the name and address of the police department or court involved.

(2) Has the individual ever been found guilty of, or entered a plea of nolo contendere or guilty to, any felonious or misdemeanor offense, under Federal, State, or Tribal law involving crimes of violence; sexual assault, molestation, exploitation, contact, or prostitution; crimes against persons; or offenses committed against children? If yes, the individual must provide an explanation of the violation, place of occurrence, date and disposition of the court proceeding, and the name and address of the police department or court involved.

(b) The IHS must require that the individual sign, under penalty of perjury, a statement verifying the truth of all information provided in the employment application and acknowledging that knowingly falsifying or concealing a material fact is a felony that may result in fines up to \$10,000 or five years imprisonment, or both.

(c) The IHS must inform the individual that a criminal history record check is a condition of employment and require the individual to consent in writing to a criminal history record check.

### **§ 136.413 What protections must the IHS and Tribes or Tribal organizations provide to individuals undergoing a background investigation?**

(a) The IHS must comply with all policies, procedures, criteria, and guidance contained in other appropriate

## 42 CFR Ch. I (10–1–03 Edition)

guidelines, such as the OPM policies, procedures, criteria, and guidance. Questions asked in § 136.412 will be added as an addendum to item #16 of the OPM Optional Form 306, "Declaration for Federal Employment." The information is collected as part of the OPM Optional Form 306 and is safeguarded in accordance with Privacy Act provisions.

(b) Indian Tribes and Tribal organizations must comply with the privacy requirements of the Federal, State, or other Tribal agency providing the background investigations. Indian Tribes and Tribal organizations may establish their own procedures that safeguard information derived from background investigations.

### **§ 136.414 How does the IHS determine eligibility for placement or retention of individuals in positions involving regular contact with Indian children?**

(a) Adjudication is the process IHS uses to determine eligibility for placement or retention of individuals in positions involving regular contact with Indian children. The adjudication process protects the interests of the employer and the right of applicants and employees. Adjudication requires uniform evaluation to ensure fair and consistent judgment.

(b) Each case is judged on its own merits. All available information, both favorable and unfavorable, should be considered and assessed in terms of accuracy, completeness, relevance, seriousness, overall significance, and how similar cases have been handled in the past.

(c) The adjudicating official who conducts the adjudication must first have been the subject of a favorable background investigation.

(d) Each adjudicating official must be thoroughly familiar with all laws, regulations, and criteria involved in making a determination for eligibility.

(e) The adjudicating official must review the background investigation to determine the character, reputation, and trustworthiness of the individual. At a minimum, the background investigation must:

(1) Review each security investigation form and employment application and compare the information provided.

(2) Review the results of written record searches requested from local law enforcement agencies, former employers, former supervisors, employment references, and schools.

(3) Review the results of the fingerprint charts maintained by the FBI or other law enforcement information maintained by other agencies.

(4) Review any other information obtained through a background investigation, including the results of searches by State human services agencies, the OPM National Agency Check and Inquiries, the OPM Security/Suitability Investigations Index, and the Defense Clearance and Investigations Index.

(5) Determine whether the individual has been found guilty of, or entered a plea of nolo contendere or guilty to, any felonious offense, or any of two or more misdemeanor offenses under Federal, State, or Tribal law, involving crimes of violence; sexual assault, molestation, exploitation, contact, or prostitution; crimes against persons; or offenses committed against children.

(f) After an opportunity has been afforded the individual to respond, pursuant to § 136.415, and it is adjudicated that the individual has been found guilty of or entered a plea of nolo contendere or guilty to an enumerated offense under paragraph (e)(5) of this section, that individual shall not be placed or retained in a position involving regular contact with or control over Indian children.

(g) For individuals who have been determined to be ineligible for employment in positions having regular contact with or control over Indian children, the IHS may use Federal adjudicative standards to certify that an individual is suitable for employment in a position, if available, that does not involve regular contact with or control over Indian children. The adjudicating official must determine that the individual's prior conduct will not interfere with the performance of duties and will not create a potential risk to the safety and well-being of any Indian children after consideration of the following factors:

(1) The nature and seriousness of the conduct in question.

(2) The recency and circumstances surrounding the conduct in question.

(3) The age of the individual at the time of the incident.

(4) Societal conditions that may have contributed to the nature of the conduct.

(5) The probability that the individual will continue the type of behavior in question.

(6) The individual's commitment to rehabilitation and a change in the behavior in question.

(7) The degree of public trust and the possibility the public would be placed at risk if the individual is appointed to the position.

**§ 136.415 What rights does an individual have during this process?**

(a) The individual must be provided an opportunity to explain, deny, or refute unfavorable and incorrect information gathered in an investigation, before the adjudication is final. He/she should receive a written summary of all derogatory information and be informed of the process for explaining, denying, or refuting unfavorable information.

(b) The adjudicating officials must not release the actual background investigative report to an individual. However, they may issue a written summary of the derogatory information.

(c) The individual who is the subject of a background investigation may request, to the extent permissible by law, a copy of the reports from the originating (Federal, State, or other Tribal) agency and challenge the accuracy and completeness of any information maintained by that agency.

(d) The results of an investigation cannot be used for any purpose other than to determine eligibility for employment in a position that involves regular contact with or control over Indian children.

(e) Investigative reports contain information of a highly personal nature and must be maintained confidentially and secured in locked files. Investigative reports must be seen only by those officials who, in performing their official duties, need to know the information contained in the report.

## § 136.416

### **§ 136.416 When should the IHS deny employment or dismiss an employee?**

The IHS must deny employment to an individual or dismiss an employee, when the duties and responsibilities of the position the individual person would hold or holds involve regular contact with or control over Indian children, and it has been adjudicated, pursuant to § 136.414 and § 136.415, that the individual has been found guilty of, or entered a plea of guilty or nolo contendere to, any felonious offense, or any of two or more misdemeanor offenses, under Federal, State or Tribal law involving a crime of violence; sexual assault, molestation, exploitation, contact, or prostitution; crimes against persons; or offenses committed against children. The IHS has the discretion to place such an individual in a position, if available, that does not involve regular contact with or control over Indian children, if a determination has been made that such placement would not put Indian children at risk and the individual would be able to perform the duties and responsibilities of this position.

### **§ 136.417 May the IHS hire individuals pending completion of a background investigation?**

Pursuant to section 231 of the Crime Control Act of 1990, Pub. L. 101-647, 42 U.S.C. 13041, as amended by Pub. L. 102-190, the IHS may hire provisionally individuals as defined in these regulations, prior to the completion of a background investigation if, at all times prior to receipt of the background investigation during which children are in the care of the individual, the individual is within the sight and under the supervision of a staff person and a satisfactory background investigation has been completed on that staff person.

### **§ 136.418 What should the IHS do if an individual has been charged with an offense but the charge is pending or no disposition has been made by a court?**

(a) The IHS may deny the applicant employment until the charge has been resolved.

## 42 CFR Ch. I (10-1-03 Edition)

(b) The IHS may deny the employee any on-the-job contact with children until the charge is resolved.

(c) The IHS may detail or reassign the employee to other duties that do not involve regular contact with children.

(d) The IHS may place the employee on indefinite suspension, in accordance with statutory and regulatory requirements, until the court has disposed of the charge.

## **PART 136a—INDIAN HEALTH**

### **Subpart A—Purpose**

Sec.

136a.1 Purpose of the regulations.

136a.2 Administrative instructions.

### **Subpart B—What Services are Available and Who is Eligible to Receive Care?**

136a.10 Definitions.

136a.11 Services available.

136a.12 Persons to whom health services will be provided.

136a.13 Authorization for contract health services.

136a.14 Reconsideration and appeals.

136a.15 Health Service Delivery Areas.

36a.16 Beneficiary Identification Cards and verification of tribal membership.

### **Subpart C [Reserved]**

### **Subpart D—Transition Provisions**

136a.31 Transition period.

136a.32 Delayed implementation.

136a.33 Grace period.

136a.34 Care and treatment of people losing eligibility.

### **Subpart E—Preference in Employment**

136a.41 Definitions.

136a.42 Appointment actions.

136a.43 Application procedure for preference eligibility.

### **Subpart F—Abortions and Related Medical Services in Indian Health Service Facilities and Indian Health Service Programs**

136a.51 Applicability.

136a.52 Definitions.

136a.53 General rule.

136a.54 Life of the mother would be endangered.

136a.55 Drugs and devices and termination of ectopic pregnancies.

136a.56 Recordkeeping requirements.

136a.57 Confidentiality.

**Subpart G—Residual Status**

136.61 Payor of last resort.

AUTHORITY: Sec. 3, 68 Stat. 674; 42 U.S.C. 2003, 42 Stat. 208, sec. 1, 68 Stat. 674; 25 U.S.C. 13, 42 U.S.C. 2001, unless otherwise noted.

SOURCE: 64 FR 58318, 58319, Oct. 28, 1999, unless otherwise noted. Redesignated at 67 FR 35342, May 17, 2002.

EFFECTIVE DATE NOTE: At 64 FR 58318, 58319, Oct. 28, 1999, as corrected at 65 FR 53914, Sept. 6, 2000, Subparts A–G of part 36 were redesignated as part 36a and suspended indefinitely, effective Oct. 28, 1999. At 67 FR 35342, May 17, 2002, part 36a was redesignated as part 136a and moved to subchapter M.

**Subpart A—Purpose****§ 136a.1 Purpose of the regulations.**

These regulations establish general principles and program requirements for carrying out the Indian health program.

[46 FR 40692, Aug. 11, 1981. Redesignated at 52 FR 35048, Sept. 16, 1987]

**§ 136a.2 Administrative instructions.**

The Service periodically issues administrative instructions to its officers and employees which are primarily found in the Indian Health Service Manual and the Area Office and Program Office supplements. These instructions are operating procedures to assist officers and employees in carrying out their responsibilities, and are not regulations establishing program requirements which are binding upon members of the general public.

[46 FR 40692, Aug. 11, 1981. Redesignated at 52 FR 35048, Sept. 16, 1987]

**Subpart B—What Services are Available and Who is Eligible to Receive Care?****§ 136a.10 Definitions.**

As used in this subpart:

*Appropriate ordering official* means, unless otherwise specified by contract with the health care facility or provider or by a contract with a tribe or tribal organization, the ordering official for the Service Unit in which the individual requesting contract health

services or on whose behalf the services are requested, resides.

*Area Director* means the Director of an Indian Health Service Area Office designated for purposes for administration of Indian Health Service Programs.

*Contract health services* means health services provided at the expense of the Indian Health Service from public or private medical or hospital facilities other than those of the Service or those funded by the Service.

*Emergency* means any medical condition for which immediate medical attention is necessary to prevent the death or serious impairment of the health of an individual.

*Health Service Delivery Area* means a geographic area designated pursuant to § 36.15 of this subpart.

*Indian tribe* means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, 43 U.S.C. 1601 *et seq.*, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

*Reservation* means any Federally recognized Indian tribe's reservation, Pueblo, or colony, including former reservations in Oklahoma, Alaska Native regions established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 *et seq.*), and Indian allotments if considered reservation land by the Bureau of Indian Affairs.

*Reside* means living in a locality with the intent to make it a fixed and a permanent home. The following persons will be deemed residents of the Health Service Delivery Area:

(1) Students who are temporarily absent from the Health Service Delivery Area during full time attendance at programs of vocational, technical, or academic education including normal school breaks;

(2) Persons who are temporarily absent from the Health Service Delivery Area for purposes of travel or employment (such as seasonal or migratory workers);

#### § 136a.11

(3) Indian children placed in foster care outside the Health Service Delivery Area by order of a court of competent jurisdiction and who were residents within the Health Service Delivery Area at the time of the court order.

*Secretary* means the Secretary of Health and Human Services and any other officer or employee of the Department of Health and Human Services to whom the authority involved has been delegated.

*Service* means the Indian Health Service.

*Service Unit Director* means the Director of Indian Health Service programs for a designated geographical or tribal area of responsibility or the equivalent official of a contractor administering an IHS program.

[52 FR 35048, Sept. 16, 1987, as amended at 55 FR 4609, Feb. 9, 1990]

#### § 136a.11 Services available.

(a) *Type of services that may be available.* Services for the Indian community served by the local facilities and program may include hospital and medical care, dental care, public health nursing and preventive care including immunizations, and health examination of special groups such as school children.

(b) *Where services are available.* Available services will be provided at hospitals and clinics of the Service, and at contract facilities (including tribal facilities under contract with the Service).

(c) *Determination of what services are available.* The Service does not provide the same health services in each area served. The services provided to any particular Indian community will depend upon the facilities and services available from sources other than the Service and the financial and personnel resources made available to the Service.

(d) *Priorities when funds, facilities, or personnel are insufficient to provide the indicated volume of services.* Priorities for care and treatment, as among individuals who are within the scope of the program, will be determined on the basis of relative medical need and ac-

#### 42 CFR Ch. I (10-1-03 Edition)

cess to other arrangements for obtaining the necessary care.

[46 FR 40692, Aug. 11, 1981, as amended at 52 FR 35048, Sept. 16, 1987]

#### § 136a.12 Persons to whom health services will be provided.

(a) Subject to the requirements of this subpart, the Indian Health Service will provide direct services at its facilities, and contract health services, as medically indicated, and to the extent that funds and resources allocated to the particular Health Service Delivery Area permit, to persons of Indian or Alaska Native descent who:

(1) Are members of a federally recognized Indian tribe; and

(2) Reside within a Health Service Delivery Area designated under § 36a.15; or

(3) Are not members of a federally recognized Indian tribe but are the natural minor children (18 years old or under) of a member of a Federally recognized tribe and reside within a Health Service Delivery Area designated under § 36a.15.

(b) Subject to the requirements of this subpart, the Indian Health Service will also provide direct services at its facilities and, except where otherwise provided, contract health services, as medically indicated and to the extent that funds and resources allocated to the particular Health Service Delivery Area permit, to people in the circumstances listed below:

(1) To persons who meet the eligibility criteria in paragraph (a) of this section except for the residency requirement, who formerly resided within a Health Service Delivery area designated under § 36a.15, and who present themselves to any Indian Health Service or Indian Health Service funded facility (and to minor children of such persons if the children meet the eligibility criteria in paragraph (a) of this section except for the residency requirement). Contract health services may not be authorized for these individuals;

(2) To a non-Indian woman pregnant with an eligible Indian's child but only during the period of her pregnancy through post-partum (generally about 6 weeks after delivery). In cases where

the woman is not married to the eligible Indian under applicable state or tribal law, paternity must be acknowledged in writing by the Indian or determined by order of a court of competent jurisdiction;

(3) To non-Indian members of an eligible Indian's household if the medical officer in charge determines that the health services are necessary to control acute infectious disease or a public health hazard; and

(4) To an otherwise eligible person for up to 90 days after the person ceases to reside in a Health Service Delivery Area when the Service Unit Director has been notified of the move.

(c) Contract health services will not be authorized when and to the extent that Indian Health Service or Indian Health Service funded facilities are available to provide the needed care. When funds are insufficient to provide the volume of contract health services needed by the service population, the Indian Health Service shall determine service priorities on the basis of medical need.

(d) The Indian Health Service may provide direct services at its facilities on a fee-for-service basis to persons who are not beneficiaries under paragraphs (a) and (b) of this section under a number of authorities including the following:

(1) In emergencies under section 322(b) of the Public Health Service Act, 42 U.S.C. 249(b), and 42 CFR 32.111 of the regulations;

(2) To Public Health Service and other Federal beneficiaries under Economy Act (31 U.S.C. 1535) arrangements to the extent that providing services does not interfere with or restrict the provision of services to Indian and Alaska Native beneficiaries; and

(3) To non-beneficiaries residing within the Health Service Delivery Area when approved by the tribe or tribes located on the reservation but only to the extent that providing services does not interfere with or restrict the provision of services to Indian and Alaska Native beneficiaries.

(Approved by the Office of Management and Budget under control number 0915-0107)

[52 FR 35048, Sept. 16, 1987, as amended at 55 FR 4609, Feb. 9, 1990; 65 FR 53914, Sept. 6, 2000]

#### § 136a.13 Authorization for contract health services.

(a) No payment will be made for medical care and services obtained from non-Service providers or in non-Service facilities unless the applicable requirements of paragraphs (b) and (c) below have been met and a purchase order for the care and services has been issued by the appropriate ordering official to the medical care provider.

(b) In non-emergency cases, a sick or disabled Indian, or an individual or agency acting on behalf of the Indian, or the medical care provider shall, prior to the provision of medical care and services, notify the appropriate ordering official of the need for services and supply information that the ordering official deems necessary to determine the relative medical need for the services and the individual's eligibility. The requirement for notice prior to providing medical care and services under this paragraph may be waived by the ordering official if:

(1) Such notice and information is provided within 72 hours after the beginning of treatment or admission to a health care facility; and

(2) The ordering official determines that giving of notice prior to obtaining the medical care and services was impracticable or that other good cause exists for the failure to provide prior notice.

(c) In emergency cases, a sick or disabled Indian, or an individual or agency acting on behalf of the Indian, or the medical care provider shall, within 72 hours after the beginning of treatment for the condition or after admission to a health care facility notify the appropriate ordering official of the fact of the admission or treatment, together with information necessary to determine the relative medical need for the services and the eligibility of the Indian for the services. The 72-hour period may be extended if the ordering official determines that notification within the prescribed period was impracticable or that other good cause exists for the failure to comply.

[43 FR 34654, Aug. 4, 1978. Redesignated at 52 FR 35048, Sept. 16, 1987]

**§ 136a.14 Reconsideration and appeals.**

(a) Any person who has applied for and been denied health services or eligibility by the Indian Health Service or by any contractor contracting to administer an Indian Health Service program or portion of a program, including tribes and tribal organizations contracting under the Indian Self-Determination Act, shall be notified of the denial in writing together with a statement of all the reasons for the denial. The notice shall advise the applicant that within 30 days from the receipt of the notice the applicant.

(b) If the original decision is affirmed on reconsideration, the applicant shall be so notified in writing and advised that an appeal may be taken to the area or program director within 30 days of receipt of the notice of the reconsidered decision. The appeal shall be in writing and shall set forth the grounds supporting the appeal.

(c) If the original or reconsidered decision is affirmed on appeal by the area or program director, the applicant shall be so notified in writing and advised that a further appeal may be taken to the Director, Indian Health Service, within 30 days of receipt of the notice. The appeal shall be in writing and shall set forth the grounds supporting the appeal. The decision of the Director, Indian Health Service, shall constitute final administrative action.

(Approved by the Office of Management and Budget under control number 0915–0107)

[43 FR 34654, Aug. 4, 1978. Redesignated and amended at 52 FR 35048, 35049, Sept. 16, 1987]

**§ 136a.15 Health Service Delivery Areas.**

(a) The Indian Health Service will designate and publish as a notice in the FEDERAL REGISTER specific geographic areas within the United States including Federal Indian reservations and areas surrounding those reservations as Health Service Delivery Areas.

(b) The Indian Health Service may, after consultation with all the Indian tribes affected, redesignate the boundaries of any Health Service Delivery Area followed by publication of a notice in the FEDERAL REGISTER. Any redesignation of a Health Service Delivery area will include the reservation,

and those areas close to the reservation boundaries which can reasonably be considered part of the reservation service area based on consideration of the following factors:

(1) The number of persons residing in the off-reservation area who would be eligible under § 36a.12(a) (1) and (3).

(2) The number of persons residing in the off-reservation area who have traditionally received health services from the Indian Health Service and whose eligibility for services would be affected;

(3) The geographic proximity of the off-reservation area to the reservation; and

(4) Whether the Indians residing in the off-reservation area can be expected to need and to use health services provided by the Indian Health Service given the alternate resources (health facilities and payment sources) available and accessible to them.

(c) Notwithstanding paragraphs (a) and (b) of this section, the Indian Health Service may designate States, subdivisions of States such as counties or towns, or other identifiable geographic areas such as census divisions or zip code areas, as Health Service Delivery Areas where reservations are nonexistent, or so small and scattered and the eligible Indian population so widely dispersed that it is inappropriate to use reservations as the basis for defining the Health Service Delivery Area.

(d) Any Indian tribal government may request a change in the boundaries of the Health Service Delivery Area. Such a request should be supported by documentation related to the factors for consideration set out in paragraph (b) of this section and shall include documentation of any consultation with or notification of other affected or nearby tribes. The request shall be submitted to the appropriate Area Director(s) who shall afford all Indian tribes affected the opportunity to express their views orally and in writing. The Area Director(s) shall then submit the request, including all comments, together with the Area's recommendation and independent findings or verification of the factors set out in paragraph (b) of this section, to the Indian Health Service Director or to the

## Public Health Service, HHS

## § 136a.33

Director's designee for the Indian Health Service decision. The decision of the Indian Health Service Director or the Director's designee shall constitute final agency action on the tribe's request. Changes in the boundaries of Health Service Delivery Areas will be published in the FEDERAL REGISTER.

(Approved by the Office of Management and Budget under control number 0915-0107)

[52 FR 35049, Sept. 16, 1987, as amended at 65 FR 53914, Sept. 6, 2000]

### § 136a.16 Beneficiary Identification Cards and verification of tribal membership.

(a) The Indian Health Service will issue Beneficiary Identification Cards as evidence of beneficiary status to persons who are currently eligible for services under § 36a.12(a). Persons requesting Beneficiary Identification Cards must submit or have on file evidence satisfactory to the Indian Health Service of tribal membership and residence within a Health Service Delivery Area. The absence of a Beneficiary Identification Card will not preclude an otherwise eligible Indian from obtaining services though it may delay the administrative determination that an individual is eligible for services on a no charge basis.

(b) For establishing eligibility or obtaining a Beneficiary Identification Card, applicants must demonstrate that they are members of a federally recognized tribe. Membership in a federally recognized tribe is to be determined by the individual tribe or the Bureau of Indian Affairs. Therefore, the Indian Health Service will recognize two methods of demonstrating tribal membership:

(1) Documentation that the applicant meets the requirements of tribal membership as prescribed by the charter, articles of incorporation, or other legal instruments or traditional processes of the tribe and has been officially designated a tribal member by an authorized tribal official or body; or

(2) Certification of tribal enrollment or membership by the Secretary of the Interior acting through the Bureau of Indian Affairs.

(c) Demonstrating membership in a federally recognized tribe is the re-

sponsibility of the applicant. However, the Indian Health Service may consult with the appropriate tribe or the Bureau of Indian Affairs on outstanding questions regarding an applicant's tribal membership if the Indian Health Service has some documentation that it believes may be helpful to the tribe or the Bureau of Indian Affairs in making their determination.

(Approved by the Office of Management and Budget under control number 0915-0107)

[50 FR 35050, Sept. 16, 1987, as amended at 65 FR 53914, Sept. 6, 2000]

## Subpart C [Reserved]

## Subpart D—Transition Provisions

SOURCE: 52 FR 35050, Sept. 16, 1987, unless otherwise noted.

### § 136a.31 Transition period.

(a) The transition period for full implementation of the new eligibility regulations consists of three parts;

(1) A six month delayed implementation;

(2) A six month grace period; and

(3) A health care continuity period determined by medical factors.

### § 136a.32 Delayed implementation.

(a) The eligibility requirements in subparts A and B of this part become effective March 16, 1988.

(b) During the six month delayed implementation period the former eligibility regulations will apply.

### § 136a.33 Grace period.

(a) Upon the effective date referred to in § 36a.32(a), individuals who would lose their eligibility under the new eligibility regulations published on September 16, 1987, and who have made use of an Indian Health Service of Indian Health Service funded service within three years prior to September 16, 1987 (date of publication of the new eligibility regulations) shall retain their eligibility for a six month grace period ending September 16, 1988. During this grace period such individual's eligibility will continue to be determined under the former regulations except that the new residency requirements established by subparts A and B

#### § 136a.34

must be met for the individual to be eligible.

(b) All individuals who receive services during the grace period based on paragraph (a) of this section and whose eligibility will terminate on September 16, 1988, shall be notified in writing that after September 16, 1988 they will no longer be eligible for services as Indian Health Service beneficiaries. Such written notice should include an explanation of their appeal rights as provided in §36a.14 of the part. These patients shall be offered assistance in locating other health care providers and medical assistance programs.

[52 FR 35050, Sept. 16, 1987, as amended at 65 FR 53914, Sept. 6, 2000]

#### § 136a.34 Care and treatment of people losing eligibility.

(a) Individuals who lose their eligibility on September 16, 1988, (end of the grace period) and on that date are actively undergoing treatment may still be provided services for a limited period in the following circumstances;

(1) Inpatients in IHS and IHS funded facilities and those receiving inpatient care under contract, including contract health services, may continue to receive such care and necessary follow-up services at Indian Health Service expense until the need for hospitalization and follow-up services has ended as determined by the responsible Indian Health Service or tribal physician, all other conditions being met including medical priorities;

(2) Those actively undergoing a course of outpatient treatment either in Indian Health Service and Indian Health Service funded facilities or through contract health services, termination of which would impair the health of the individual patient, may continue to receive the treatment at Indian Health Service expense for a reasonable length of time, until the course of treatment reaches a point where it may safely be terminated or the patient transferred to other providers as determined by the responsible Indian Health Service or tribal physician, all other conditions being met including medical priorities.

(3) Those under treatment for chronic degenerative conditions may be provided additional treatment at Indian

#### 42 CFR Ch. I (10-1-03 Edition)

Health Service expense for no longer than 1 year beyond the end of the grace period notwithstanding any determination that it was otherwise safe to transfer treatment to other providers, all other conditions being met including medical priorities.

(b) All patients receiving care under paragraph (a) of this section shall be notified in writing that, after discharge from care provided under any of the above circumstances, they will no longer be eligible for services as Indian Health Service beneficiaries. Such notice shall include an explanation of their appeal rights as provided in §36a.14 of this part. These patients shall be offered assistance in locating other health care providers and medical assistance programs.

[52 FR 35050, Sept. 16, 1987, as amended at 65 FR 53914, Sept. 6, 2000]

### Subpart E—Preference in Employment

AUTHORITY: 25 U.S.C. 44, 45, 46 and 472; Pub. L. 83-568, 42 U.S.C. 2003.

#### § 136a.41 Definitions.

For purposes of making appointments to vacancies in all positions in the Indian Health Service a preference will be extended to persons of Indian descent who are:

(a) Members of any recognized Indian tribe now under Federal jurisdiction;

(b) Descendants of such members who were, on June 1, 1934, residing within the present boundaries of any Indian reservation;

(c) All others of one-half or more Indian blood of tribes indigenous to the United States;

(d) Eskimos and other aboriginal people of Alaska; or

(e) Until January 4, 1990 or until the Osage Tribe has formally organized, whichever comes first, a person of at least one-quarter degree Indian ancestry of the Osage Tribe of Indians, whose rolls were closed by an act of Congress.

[43 FR 29783, July 11, 1978, as amended at 54 FR 48246, Nov. 22, 1989]

**§ 136a.42 Appointment actions.**

(a) Preference will be afforded a person meeting any one of the definitions of § 36a.41 whether the placement in the position involves initial appointment, reappointment, reinstatement, transfer, reassignment, promotion, or any other personnel action intended to fill a vacancy.

(b) Preference eligibles may be given a schedule A excepted appointment under 5 CFR 213.3116(b)(8). If the individuals are within reach on a Civil Service Register, they may be given a competitive appointment.

[43 FR 29783, July 11, 1978, as amended at 65 FR 53914, Sept. 6, 2000]

**§ 136a.43 Application procedure for preference eligibility.**

To be considered a preference eligible, the person must submit with the employment application a Bureau of Indian Affairs certification that the person is an Indian as defined by § 36a.41 except that an employee of the Indian Health Service who has a certificate of preference eligibility on file in the Official Personnel Folder is not required to resubmit such proof but may instead include a statement on the application that proof of eligibility is on file in the Official Personnel Folder.

[43 FR 29783, July 11, 1978, as amended at 65 FR 53914, Sept. 6, 2000]

## **Subpart F—Abortions and Related Medical Services in Indian Health Service Facilities and Indian Health Service Programs**

AUTHORITY: Sec. 1, 42 Stat. 208, 25 U.S.C. 13; sec. 1, 68 Stat. 674, 42 U.S.C. 2001; sec. 3, 68 Stat. 674, 42 U.S.C. 2003.

SOURCE: 47 FR 4018, Jan. 27, 1982, unless otherwise noted.

**§ 136a.51 Applicability.**

This subpart is applicable to the use of Federal funds in providing health services to Indians in accordance with the provisions of subparts A, B, C, H, I and J of this part.

**§ 136a.52 Definitions.**

As used in this subpart:

*Physician* means a doctor of medicine or osteopathy legally authorized to practice medicine and surgery at an Indian Health Service or tribally run facility, or by the State in which he or she practices.

**§ 136a.53 General rule.**

Federal funds may not be used to pay for or otherwise provide for abortions in the programs described in § 36a.51, except under the Circumstances described in § 36a.54.

[47 FR 4018, Jan. 27, 1982, as amended at 65 FR 53914, Sept. 6, 2000]

**§ 136a.54 Life of the mother would be endangered.**

Federal funds are available for an abortion when a physician has found and so certified in writing to the appropriate tribal or other contracting organization, or service unit or area director, that "on the basis of my professional judgement the life of the mother would be endangered if the fetus were carried to term." The certification must contain the name and address of the patient.

**§ 136a.55 Drugs and devices and termination of ectopic pregnancies.**

Federal funds are available for drugs or devices to prevent implantation of the fertilized ovum, and for medical procedures necessary for the termination of an ectopic pregnancy.

**§ 136a.56 Recordkeeping requirements.**

Documents required by § 36a.54 must be maintained for three years pursuant to the retention and custodial requirements for records at 45 CFR 74.20 *et seq.*

[47 FR 4018, Jan. 27, 1982, as amended at 65 FR 53914, Sept. 6, 2000]

**§ 136a.57 Confidentiality.**

Information which is acquired in connection with the requirements of this subpart may not be disclosed in a form which permits the identification of an individual without the individual's consent, except as may be necessary for the health of the individual or as may be necessary for the Secretary to monitor Indian Health Service program

## § 136a.61

activities. In any event, any disclosure shall be subject to appropriate safeguards which will minimize the likelihood of disclosures of personal information in identifiable form.

### Subpart G—Residual Status

#### § 136a.61 Payor of last resort.

(a) The Indian Health Service is the payor of last resort of persons defined as eligible for contract health services under these regulations, notwithstanding any State or local law or regulation to the contrary.

(b) Accordingly, the Indian Health Service will not be responsible for or authorize payment for contract health services to the extent that:

(1) The Indian is eligible for alternate resources, as defined in paragraph (c), or

(2) The Indian would be eligible for alternate resources if he or she were to apply for them, or

(3) The Indian would be eligible for alternate resources under State or local law or regulation but for the Indian's eligibility for contract health services, or other health services, from the Indian Health Service or Indian Health Service funded programs.

(c) *Alternate resources* means health care resources other than those of the Indian Health Service. Such resources include health care providers and institutions, and health care programs for the payment of health services including but not limited to programs under title XVIII and XIX of the Social Security Act (i.e., Medicare, Medicaid), State or local health care programs and private insurance.

[55 FR 4609, Feb. 9, 1990]

## PART 137—TRIBAL SELF- GOVERNANCE

### Subpart A—General Provisions

Sec.

137.1 Authority, purpose and scope.

137.2 Congressional policy.

137.3 Effect on existing Tribal rights.

137.4 May Title V be construed to limit or reduce in any way the funding for any program, project, or activity serving an Indian Tribe under this or other applicable Federal law?

## 42 CFR Ch. I (10–1–03 Edition)

137.5 Effect of these regulations on Federal program guidelines, manual, or policy directives.

137.6 Secretarial policy.

### Subpart B—Definitions

137.10 Definitions.

### Subpart C—Selection of Indian Tribes for Participation in Self-Governance

137.15 Who may participate in Tribal Self-Governance?

137.16 What if more than 50 Indian Tribes apply to participate in self-governance?

137.17 May more than one Indian Tribe participate in the same compact and/or funding agreement?

137.18 What criteria must an Indian Tribe satisfy to be eligible to participate in self-governance?

#### PLANNING PHASE

137.20 What is required during the planning phase?

137.21 How does an Indian Tribe demonstrate financial stability and financial management capacity?

137.22 May the Secretary consider uncorrected significant and material audit exceptions identified regarding centralized financial and administrative functions?

137.23 For purposes of determining eligibility for participation in self-governance, may the Secretary consider any other information regarding the Indian Tribe's financial stability and financial management capacity?

137.24 Are there grants available to assist the Indian Tribe to meet the requirements to participate in self-governance?

137.25 Are planning and negotiation grants available?

137.26 Must an Indian Tribe receive a planning or negotiation grant to be eligible to participate in self-governance?

### Subpart D—Self-Governance Compact

137.30 What is a self-governance compact?

137.31 What is included in a compact?

137.32 Is a compact required to participate in self-governance?

137.33 May an Indian Tribe negotiate a funding agreement at the same time it is negotiating a compact?

137.34 May a funding agreement be executed without negotiating a compact?

137.35 What is the term of a self-governance compact?

### Subpart E—Funding Agreements

137.40 What is a funding agreement?

137.41 What PSFAs must be included in a funding agreement?

137.42 What Tribal shares may be included in a funding agreement?

137.43 May a Tribe negotiate and leave funds with IHS for retained services?

#### TERMS IN A FUNDING AGREEMENT

137.45 What terms must be included in a funding agreement?

137.46 May additional terms be included in a funding agreement?

137.47 Do any provisions of Title I apply to compacts, funding agreements, and construction project agreements negotiated under Title V of the Act?

137.48 What is the effect of incorporating a Title I provision into a compact or funding agreement?

137.49 What if a Self-Governance Tribe requests such incorporation at the negotiation stage of a compact or funding agreement?

#### TERM OF A FUNDING AGREEMENT

137.55 What is the term of a funding agreement?

137.56 Does a funding agreement remain in effect after the end of its term?

137.57 How is a funding agreement amended during the effective period of the funding agreement?

### Subpart F—Statutorily Mandated Grants

137.60 May a statutorily mandated grant be added to a funding agreement?

137.65 May a Self-Governance Tribe receive statutorily mandated grant funding in an annual lump sum advance payment?

137.66 May a Self-Governance Tribe keep interest earned on statutorily mandated grant funds?

137.67 How may a Self-Governance Tribe use interest earned on statutorily mandated grant funds?

137.68 May funds from a statutorily mandated grant be added to a funding agreement be reallocated?

137.69 May a statutorily mandated grant program added to a funding agreement be redesigned?

137.70 Are the reporting requirements different for a statutorily mandated grant program added to a funding agreement?

137.71 May the Secretary and the Self-Governance Tribe develop separate programmatic reporting requirements for statutorily mandated grants?

137.72 Are Self-Governance Tribes and their employees carrying out statutorily mandated grant programs added to a funding agreement covered by the Federal Tort Claims Act (FTCA)?

137.73 What provisions of Title V apply to statutorily mandated grants added to the funding agreement?

### Subpart G—Funding

#### GENERAL

137.75 What funds must the Secretary transfer to a Self-Governance Tribe in a funding agreement?

137.76 When must the Secretary transfer to a Self-Governance Tribe funds identified in a funding agreement?

137.77 When must the Secretary transfer funds that were not paid as part of the initial lump sum payment?

137.78 May a Self-Governance Tribe negotiate a funding agreement for a term longer or shorter than one year?

137.79 What funds must the Secretary include in a funding agreement?

#### PROHIBITIONS

137.85 Is the Secretary prohibited from failing or refusing to transfer funds that are due to a Self-Governance Tribe under Title V?

137.86 Is the Secretary prohibited from reducing the amount of funds required under Title V to make funding available for self-governance monitoring or administration by the Secretary?

137.87 May the Secretary reduce the amount of funds due under Title V in subsequent years?

137.88 May the Secretary reduce the amount of funds required under Title V to pay for Federal functions, including Federal pay costs, Federal employee retirement benefits, automated data processing, technical assistance, and monitoring of activities under the Act?

137.89 May the Secretary reduce the amount of funds required under Title V to pay for costs of Federal personnel displaced by contracts under Title I or self-governance under Title V?

137.90 May the Secretary increase the funds required under the funding agreement?

#### ACQUISITION OF GOODS AND SERVICES FROM THE IHS

137.95 May a Self-Governance Tribe purchase goods and services from the IHS on a reimbursable basis?

#### PROMPT PAYMENT ACT

137.96 Does the Prompt Payment Act apply to funds transferred to a Self-Governance Tribe in a compact or funding agreement?

#### INTEREST OR OTHER INCOME ON TRANSFERS

137.100 May a Self-Governance Tribe retain and spend interest earned on any funds paid under a compact or funding agreement?

137.101 What standard applies to a Self-Governance Tribe's management of funds

**Pt. 137**

**42 CFR Ch. I (10–1–03 Edition)**

paid under a compact or funding agreement?

**CARRYOVER OF FUNDS**

137.105 May a Self-Governance Tribe carry-over from one year to the next any funds that remain at the end of the funding agreement?

**PROGRAM INCOME**

137.110 May a Self-Governance Tribe retain and expend any program income earned pursuant to a compact and funding agreement?

**LIMITATION OF COSTS**

137.115 Is a Self-Governance Tribe obligated to continue performance under a compact or funding agreement if the Secretary does not transfer sufficient funds?

**STABLE BASE BUDGET**

137.120 May a Self-Governance Tribe's funding agreement provide for a stable base budget?

137.121 What funds may be included in a stable base budget amount?

137.122 May a Self-Governance Tribe with a stable base budget receive other funding under its funding agreement?

137.123 Once stable base funding is negotiated, do funding amounts change from year to year?

137.124 Does the effective period of a stable base budget have to be the same as the term of the funding agreement?

**Subpart H—Final Offer**

137.130 What is covered by this subpart?

137.131 When should a final offer be submitted?

137.132 How does the Indian Tribe submit a final offer?

137.133 What does a final offer contain?

137.134 When does the 45-day review period begin?

137.135 May the Secretary request and obtain an extension of time of the 45-day review period?

137.136 What happens if the agency takes no action within the 45-day review period (or any extensions thereof)?

137.137 If the 45-day review period or extension thereto, has expired, and the Tribe's offer is deemed accepted by operation of law, are there any exceptions to this rule?

137.138 Once the Indian Tribe's final offer has been accepted or deemed accepted by operation of law, what is the next step?

**REJECTION OF FINAL OFFERS**

137.140 On what basis may the Secretary reject an Indian Tribe's final offer?

137.141 How does the Secretary reject a final offer?

137.142 What is a "significant danger" or "risk" to the public health?

137.143 How is the funding level to which the Indian Tribe is entitled determined?

137.144 Is technical assistance available to an Indian Tribe to avoid rejection of a final offer?

137.145 If the Secretary rejects a final offer, is the Secretary required to provide the Indian Tribe with technical assistance?

137.146 If the Secretary rejects all or part of a final offer, is the Indian Tribe entitled to an appeal?

137.147 Do those portions of the compact, funding agreement, or amendment not in dispute go into effect?

137.148 Does appealing the decision of the Secretary prevent entering into the compact, funding agreement or amendment?

**BURDEN OF PROOF**

137.150 What is the burden of proof in an appeal from rejection of a final offer?

**DECISION MAKER**

137.155 What constitutes a final agency action?

**Subpart I—Operational Provisions**

**CONFLICTS OF INTEREST**

137.160 Are Self-Governance Tribes required to address potential conflicts of interest?

**AUDITS AND COST PRINCIPLES**

137.165 Are Self-Governance Tribes required to undertake annual audits?

137.166 Are there exceptions to the annual audit requirements?

137.167 What cost principles must a Self-Governance Tribe follow when participating in self-governance under Title V?

137.168 May the Secretary require audit or accounting standards other than those specified in §137.167?

137.169 How much time does the Federal Government have to make a claim against a Self-Governance Tribe relating to any disallowance of costs, based on an audit conducted under §137.165?

137.170 When does the 365-day period commence?

137.171 Where do Self-Governance Tribes send their audit reports?

137.172 Should the audit report be sent anywhere else to ensure receipt by the Secretary?

137.173 Does a Self-Governance Tribe have a right of appeal from a disallowance?

**RECORDS**

137.175 Is a Self-Governance Tribe required to maintain a recordkeeping system?

## Public Health Service, HHS

## Pt. 137

- 137.176 Are Tribal records subject to the Freedom of Information Act and Federal Privacy Act?
- 137.177 Is the Self-Governance Tribe required to make its records available to the Secretary?
- 137.178 May Self-Governance Tribes store patient records at the Federal Records Centers?
- 137.179 May a Self-Governance Tribe make agreements with the Federal Records Centers regarding disclosure and release of the patient records stored pursuant to § 137.178?
- 137.180 Are there other laws that govern access to patient records?

### REDESIGN

- 137.185 May a Self-Governance Tribe redesign or consolidate the PSFAs that are included in a funding agreement and re-allocate or redirect funds for such PSFAs?

### NON-DUPLICATION

- 137.190 Is a Self-Governance Tribe that receives funds under Title V also entitled to contract under section 102 of the Act [25 U.S.C. 450(f)] for such funds?

### HEALTH STATUS REPORTS

- 137.200 Are there reporting requirements for Self-Governance Tribes under Title V?
- 137.201 What are the purposes of the Tribal reporting requirements?
- 137.202 What types of information will Self-Governance Tribes be expected to include in the reports?
- 137.203 May a Self-Governance Tribe participate in a voluntary national uniform data collection effort with the IHS?
- 137.204 How will this voluntary national uniform data set be developed?
- 137.205 Will this voluntary uniform data set reporting activity be required of all Self-Governance Tribes entering into a compact with the IHS under Title V?
- 137.206 Why does the IHS need this information?
- 137.207 Will funding be provided to the Self-Governance Tribe to compensate for the costs of reporting?

### SAVINGS

- 137.210 What happens if self-governance activities under Title V reduce the administrative or other responsibilities of the Secretary with respect to the operation of Indian programs and result in savings?
- 137.211 How does a Self-Governance Tribe learn whether self-governance activities have resulted in savings as described in § 137.210.

### ACCESS TO GOVERNMENT FURNISHED PROPERTY

- 137.215 How does a Self-Governance Tribe obtain title to real and personal property furnished by the Federal Government for use in the performance of a compact, funding agreement, construction project agreement, or grant agreement pursuant to section 512(c) of the Act [25 U.S.C. 458aaa-11(c)]?

### MATCHING AND COST PARTICIPATION REQUIREMENTS

- 137.217 May funds provided under compacts, funding agreements, or grants made pursuant to Title V be treated as non-Federal funds for purposes of meeting matching or cost participation requirements under any other Federal or non-Federal program?

### FEDERAL TORT CLAIMS ACT (FTCA)

- 137.220 Do section 314 of Public Law 101-512 [25 U.S.C. 450f note] and section 102(d) of the Act [25 U.S.C. 450f(d)] (regarding, in part, FTCA coverage) apply to compacts, funding agreements and construction project agreements?

### Subpart J—Regulation Waiver

- 137.225 What regulations may be waived under Title V?
- 137.226 How does a Self-Governance Tribe request a waiver?
- 137.227 How much time does the Secretary have to act on a waiver request?
- 137.228 Upon what basis may the waiver request be denied?
- 137.229 What happens if the Secretary neither approves or denies a waiver request within the time specified in § 137.227.
- 137.230 Is the Secretary's decision on a waiver request final for the Department?
- 137.231 May a Self-Governance Tribe appeal the Secretary's decision to deny its request for a waiver of a regulation promulgated under section 517 of the Act [25 U.S.C. 458aaa-16]?

### Subpart K—Withdrawal

- 137.235 May an Indian Tribe withdraw from a participating inter-Tribal consortium or Tribal organization?
- 137.236 When does a withdrawal become effective?
- 137.237 How are funds redistributed when an Indian Tribe fully or partially withdraws from a compact or funding agreement and elects to enter a contract or compact?
- 137.238 How are funds distributed when an Indian Tribe fully or partially withdraws from a compact or funding agreement administered by an inter-Tribal consortium

**Pt. 137**

or Tribal organization serving more than one Indian Tribe and the withdrawing Indian Tribe elects not to enter a contract or compact?

- 137.239 If the withdrawing Indian Tribe elects to operate PSFAs carried out under a compact or funding agreement under Title V through a contract under Title I, is the resulting contract considered a mature contract under section 4(h) of the Act [25 U.S.C. 450b(h)]?

**Subpart L—Retrocession**

- 137.245 What is retrocession ?
- 137.246 How does a Self-Governance Tribe retrocede a PSFA?
- 137.247 What is the effective date of a retrocession?
- 137.248 What effect will a retrocession have on a retroceding Self-Governance Tribe's rights to contract or compact under the Act?
- 137.249 Will retrocession adversely affect funding available for the retroceded program?
- 137.250 How are funds distributed when a Self-Governance Tribe fully or partially retrocedes from its compact or funding agreement?
- 137.251 What obligation does the retroceding Self-Governance Tribe have with respect to returning property that was provided by the Secretary under the compact or funding agreement and that was used in the operation of the retroceded program?

**Subpart M—Reassumption**

- 137.255 What does reassumption mean?
- 137.256 Under what circumstances may the Secretary reassume a program, service, function, or activity (or portion thereof)?
- 137.257 What steps must the Secretary take prior to reassumption becoming effective?
- 137.258 Does the Self-Governance Tribe have a right to a hearing prior to a non-immediate reassumption becoming effective?
- 137.259 What happens if the Secretary determines that the Self-Governance Tribe has not corrected the conditions that the Secretary identified in the notice?
- 137.260 What is the earliest date on which a reassumption can be effective?
- 137.261 Does the Secretary have the authority to immediately reassume a PSFA?
- 137.262 If the Secretary reassumes a PSFA immediately, when must the Secretary provide the Self-Governance Tribe with a hearing?
- 137.263 May the Secretary provide a grant to a Self-Governance Tribe for technical assistance to overcome conditions identified under §137.257?
- 137.264 To what extent may the Secretary require the Self-Governance Tribe to re-

**42 CFR Ch. I (10–1–03 Edition)**

turn property that was provided by the Secretary under the compact or funding agreement and used in the operation of the reassume program?

- 137.265 May a Tribe be reimbursed for actual and reasonable close out costs incurred after the effective date of reassumption?

**Subpart N—Construction**

**PURPOSE AND SCOPE**

- 137.270 What is covered by this subpart?
- 137.271 Why is there a separate subpart in these regulations for construction project agreements?
- 137.272 What other alternatives are available for Self-Governance Tribes to perform construction projects?
- 137.273 What are IHS construction PSFAs?
- 137.274 Does this subpart cover construction programs?
- 137.275 May Self-Governance Tribes include IHS construction programs in a construction project agreement or in a funding agreement?

**CONSTRUCTION DEFINITIONS**

- 137.280 Construction definitions.

**NEPA PROCESS**

- 137.285 Are Self-Governance Tribes required to accept Federal environmental responsibilities to enter into a construction project agreement?
- 137.286 Do Self-Governance Tribes become Federal agencies when they assume these Federal environmental responsibilities?
- 137.287 What is the National Environmental Policy Act (NEPA)?
- 137.288 What is the National Historic Preservation Act (NHPA)?
- 137.289 What is a Federal undertaking under NHPA?
- 137.290 What additional provisions of law are related to NEPA and NHPA?
- 137.291 May Self-Governance Tribes carry out construction projects without assuming these Federal environmental responsibilities?
- 137.292 How do Self-Governance Tribes assume environmental responsibilities for construction projects under section 509 of the Act [25 U.S.C. 458aaa-8]?
- 137.293 Are Self-Governance Tribes required to adopt a separate resolution or take equivalent Tribal action to assume environmental responsibilities for each construction project agreement?
- 137.294 What is the typical IHS environmental review process for construction projects?
- 137.295 May Self-Governance Tribes elect to develop their own environmental review process?

## Public Health Service, HHS

## Pt. 137

- 137.296 How does a Self-Governance Tribe comply with NEPA and NHPA?
- 137.297 If the environmental review procedures of a Federal agency are adopted by a Self-Governance Tribe, is the Self-Governance Tribe responsible for ensuring the agency's policies and procedures meet the requirements of NEPA, NHPA, and related environmental laws?
- 137.298 Are Self-Governance Tribes required to comply with Executive Orders to fulfill their environmental responsibilities under section 509 of the Act [25 U.S.C. 458aaa-8]?
- 137.299 Are Federal funds available to cover the cost of Self-Governance Tribes carrying out environmental responsibilities?
- 137.300 Since Federal environmental responsibilities are new responsibilities which may be assumed by Tribes under section 509 of the Act [25 U.S.C. 458aaa-8], are there additional funds available to Self-Governance Tribes to carry out these formerly inherently Federal responsibilities?
- 137.301 How are project and program environmental review costs identified?
- 137.302 Are Federal funds available to cover start-up costs associated with initial Tribal assumption of environmental responsibilities?
- 137.303 Are Federal or other funds available for training associated with Tribal assumption of environmental responsibilities?
- 137.304 May Self-Governance Tribes buy back environmental services from the IHS?
- 137.305 May Self-Governance Tribes act as lead, cooperating, or joint lead agencies for environmental review purposes?
- 137.306 How are Self-Governance Tribes recognized as having lead, cooperating, or joint lead agency status?
- 137.307 What Federal environmental responsibilities remain with the Secretary when a Self-Governance Tribe assumes Federal environmental responsibilities for construction projects under section 509 of the Act [25 U.S.C. 458aaa-8]?
- 137.308 Does the Secretary have any enforcement authority for Federal environmental responsibilities assumed by Tribes under Section 509 of the Act?
- 137.309 How are NEPA and NHPA obligations typically enforced?
- 137.310 Are Self-Governance Tribes required to grant a limited waiver of their sovereign immunity to assume Federal environmental responsibilities under Section 509 of the Act [25 U.S.C. 458aaa-8]?
- 137.311 Are Self-Governance Tribes entitled to determine the nature and scope of the limited immunity waiver required under section 509(a)(2) of the Act?
- 137.312 Who is the proper defendant in a civil enforcement action under section

509(a)(2) of the Act [25 U.S.C. 458aaa-8(a)(2)]?

### NOTIFICATION (PRIORITIZATION PROCESS, PLANNING, DEVELOPMENT AND CONSTRUCTION)

- 137.320 Is the Secretary required to consult with affected Indian Tribes concerning construction projects and programs?
- 137.321 How do Indian Tribes and the Secretary identify and request funds for needed construction projects?
- 137.322 Is the Secretary required to notify an Indian Tribe that funds are available for a construction project or a phase of a project?

### PROJECT ASSUMPTION PROCESS

- 137.325 What does a Self-Governance Tribe do if it wants to perform a construction project under section 509 of the Act [25 U.S.C. 458aaa-8]?
- 137.326 What must a Tribal proposal for a construction project agreement contain?
- 137.327 May multiple projects be included in a single construction project agreement?
- 137.328 Must a construction project proposal incorporate provisions of Federal construction guidelines and manuals?
- 137.329 What environmental considerations must be included in the construction project agreement?
- 137.330 What happens if the Self-Governance Tribe and the Secretary cannot develop a mutually agreeable construction project agreement?
- 137.331 May the Secretary reject a final construction project proposal based on a determination of Tribal capacity or capability?
- 137.332 On what bases may the Secretary reject a final construction project proposal?
- 137.333 What procedures must the Secretary follow if the Secretary rejects a final construction project proposal, in whole or in part?
- 137.334 What happens if the Secretary fails to notify the Self-Governance Tribe of a decision to approve or reject a final construction project proposal within the time period allowed?
- 137.335 What costs may be included in the budget for a construction agreement?
- 137.336 What is the difference between fixed-price and cost-reimbursement agreements?
- 137.337 What funding must the Secretary provide in a construction project agreement?
- 137.338 Must funds from other sources be incorporated into a construction project agreement?
- 137.339 May the Self-Governance Tribe use project funds for matching or cost participation requirements under other Federal and non-Federal programs?

**Pt. 137**

**42 CFR Ch. I (10–1–03 Edition)**

- 137.340 May a Self-Governance Tribe contribute funding to a project?
- 137.341 How will a Self-Governance Tribe receive payment under a construction project agreement?
- 137.342 What happens to funds remaining at the conclusion of a cost reimbursement construction project?
- 137.343 What happens to funds remaining at the conclusion of a fixed price construction project?
- 137.344 May a Self-Governance Tribe reallocate funds among construction project agreements?

**ROLES OF SELF-GOVERNANCE TRIBE IN ESTABLISHING AND IMPLEMENTING CONSTRUCTION PROJECT AGREEMENTS**

- 137.350 Is a Self-Governance Tribe responsible for completing a construction project in accordance with the negotiated construction project agreement?
- 137.351 Is a Self-Governance Tribe required to submit construction project progress and financial reports for construction project agreements?
- 137.352 What is contained in a construction project progress report?
- 137.353 What is contained in a construction project financial report?

**ROLES OF THE SECRETARY IN ESTABLISHING AND IMPLEMENTING CONSTRUCTION PROJECT AGREEMENTS**

- 137.360 Does the Secretary approve project planning and design documents prepared by the Self-Governance Tribe?
- 137.361 Does the Secretary have any other opportunities to approve planning or design documents prepared by the Self-Governance Tribe?
- 137.362 May construction project agreements be amended?
- 137.363 What is the procedure for the Secretary's review and approval of amendments?
- 137.364 What constitutes a significant change in the original scope of work?
- 137.365 What is the procedure for the Secretary's review and approval of project planning and design documents submitted by the Self-Governance Tribe?
- 137.366 May the Secretary conduct onsite project oversight visits?
- 137.367 May the Secretary issue a stop work order under a construction project agreement?
- 137.368 Is the Secretary responsible for oversight and compliance of health and safety codes during construction projects being performed by a Self-Governance Tribe under section 509 of the Act [25 U.S.C. 488aaa–8]?

**OTHER**

- 137.370 Do all provisions of this part apply to construction project agreements under this subpart?
- 137.371 Who takes title to real property purchased with funds provided under a construction project agreement?
- 137.372 Does the Secretary have a role in the fee-to-trust process when real property is purchased with construction project agreement funds?
- 137.373 Do Federal real property laws, regulations and procedures that apply to the Secretary also apply to Self-Governance Tribes that purchase real property with funds provided under a construction project agreement?
- 137.374 Does the Secretary have a role in reviewing or monitoring a Self-Governance Tribe's actions in acquiring or leasing real property with funds provided under a construction project agreement?
- 137.375 Are Tribally-owned facilities constructed under section 509 of the Act [25 U.S.C. 458aaa–8] eligible for replacement, maintenance, and improvement funds on the same basis as if title to such property were vested in the United States?
- 137.376 Are design and construction projects performed by Self-Governance Tribes under section 509 of the Act [25 U.S.C. 458aaa–8] subject to Federal metric requirements?
- 137.377 Do Federal procurement law and regulations apply to construction project agreements performed under section 509 of the Act [25 U.S.C. 458aaa–8]?
- 137.378 Does the Federal Davis-Bacon Act and wage rates apply to construction projects performed by Self-Governance Tribes using their own funds or other non-Federal funds?
- 137.379 Do Davis-Bacon wage rates apply to construction projects performed by Self-Governance Tribes using Federal funds?

**Subpart O—Secretarial Responsibilities**

**BUDGET REQUEST**

- 137.401 What role does Tribal consultation play in the IHS annual budget request process?

**REPORTS**

- 137.405 Is the Secretary required to report to Congress on administration of Title V and the funding requirements presently funded or unfunded?
- 137.406 In compiling reports pursuant to this section, may the Secretary impose any reporting requirements on Self-Governance Tribes, not otherwise provided in Title V?
- 137.407 What guidelines will be used by the Secretary to compile information required for the report?

**Subpart P—Appeals**

137.410 For the purposes of section 110 of the Act [25 U.S.C. 450m-1] does the term “contract” include compacts, funding agreements, and construction project agreements entered into under Title V?

**POST-AWARD DISPUTES**

137.412 Do the regulations at 25 CFR Part 900, Subpart N apply to compacts, funding agreements, and construction project agreements entered into under Title V?

**PRE-AWARD DISPUTES**

137.415 What decisions may an Indian Tribe appeal under §§ 137.415 through 137.436?

137.416 Do §§ 137.415 through 137.436 apply to any other disputes?

137.417 What procedures apply to Interior Board of Indian Appeals (IBIA) proceedings?

137.418 How does an Indian Tribe know where and when to file its appeal from decisions made by IHS?

137.419 What authority does the IBIA have under §§ 137.415 through 137.436?

137.420 Does an Indian Tribe have any options besides an appeal?

137.421 How does an Indian Tribe request an informal conference?

137.422 How is an informal conference held?

137.423 What happens after the informal conference?

137.424 Is the recommended decision from the informal conference final for the Secretary?

137.425 How does an Indian Tribe appeal the initial decision if it does not request an informal conference or if it does not agree with the recommended decision resulting from the informal conference?

137.426 May an Indian Tribe get an extension of time to file a notice of appeal?

137.427 What happens after an Indian Tribe files an appeal?

137.428 How is a hearing arranged?

137.429 What happens when a hearing is necessary?

137.430 What is the Secretary’s burden of proof for appeals covered by § 137.145?

137.431 What rights do Indian Tribes and the Secretary have during the appeal process?

137.432 What happens after the hearing?

137.433 Is the recommended decision always final?

137.434 If an Indian Tribe objects to the recommended decision, what will the Secretary do?

137.435 Will an appeal adversely affect the Indian Tribe’s rights in other compact, funding negotiations, or construction project agreements?

137.436 Will the decisions on appeal be available for the public to review?

**APPEALS OF AN IMMEDIATE REASSUMPTION OF A SELF-GOVERNANCE PROGRAM**

137.440 What happens in the case of an immediate reassumption under section 507(a)(2)(C) of the Act [25 U.S.C. 458aaa-6(a)(2)(C)]?

137.441 Will there be a hearing?

137.442 What happens after the hearing?

137.443 Is the recommended decision always final?

137.444 If a Self-Governance Tribe objects to the recommended decision, what action will the Secretary take?

137.445 Will an immediate reassumption appeal adversely affect the Self-Governance Tribe’s rights in other self-governance negotiations?

**EQUAL ACCESS TO JUSTICE ACT FEES**

137.450 Does the Equal Access to Justice Act (EAJA) apply to appeals under this subpart?

AUTHORITY: 25 U.S.C. 458 *et seq.*

SOURCE: 67 FR 35342, May 17, 2002, unless otherwise noted.

**Subpart A—General Provisions****§ 137.1 Authority, purpose and scope**

(a) Authority. These regulations are prepared, issued and maintained with the active participation and representation of Indian Tribes, Tribal organizations and inter-Tribal consortia pursuant to the guidance of the negotiated rulemaking procedures required by section 517 of the Act [25 U.S.C. 458aaa-16].

(b) Purpose. These regulations codify rules for self-governance compacts, funding agreements, and construction project agreements between the Department of Health and Human Services (DHHS) and Self-Governance Tribes to implement sections 2, 3, and 4 of Pub. L. 106-260.

(c) Scope. These regulations are binding on the Secretary and on Indian Tribes carrying out programs, services, functions, and activities (or portions thereof) (PSFAs) under Title V except as otherwise specifically authorized by a waiver under section 512(b) of the Act [25 U.S.C. 458aaa-11(b)].

(d) Information collection. The information collection requirements have been submitted to the Office of Management and Budget (OMB) and are pending OMB approval.

**§ 137.2 Congressional policy.**

(a) According to section 2 of Pub. L. 106–260, Congress has declared that:

(1) The Tribal right of self-government flows from the inherent sovereignty of Indian Tribes and nations;

(2) The United States recognizes a special government-to-government relationship with Indian Tribes, including the right of the Indian Tribes to self-governance, as reflected in the Constitution, treaties, Federal statutes, and the course of dealings of the United States with Indian Tribes;

(3) Although progress has been made, the Federal bureaucracy, with its centralized rules and regulations, has eroded Tribal Self-Governance and dominates Tribal affairs.

(4) The Tribal Self-Governance Demonstration Project, established under title III of the Indian Self-Determination Act (ISDA) [25 U.S.C. 450f note] was designed to improve and perpetuate the government-to-government relationship between Indian Tribes and the United States and to strengthen Tribal control over Federal funding and program management;

(5) Although the Federal Government has made considerable strides in improving Indian health care, it has failed to fully meet its trust responsibilities and to satisfy its obligations to the Indian Tribes under treaties and other laws; and

(6) Congress has reviewed the results of the Tribal Self-Governance Demonstration Project and finds that transferring full control and funding to Tribal governments, upon Tribal request, over decision making for Federal PSFAs:

(i) Is an appropriate and effective means of implementing the Federal policy of government-to-government relations with Indian Tribes; and

(ii) Strengthens the Federal policy of Indian self-determination.

(b) According to section 3 of Pub. L. 106–260, Congress has declared its policy to:

(1) Permanently establish and implement Tribal Self-Governance within the DHHS;

(2) Call for full cooperation from the DHHS and its constituent agencies in the implementation of Tribal Self-Governance to—

(i) Enable the United States to maintain and improve its unique and continuing relationship with, and responsibility to, Indian Tribes;

(ii) Permit each Indian Tribe to choose the extent of its participation in self-governance in accordance with the provisions of the ISDA relating to the provision of Federal services to Indian Tribes;

(iii) Ensure the continuation of the trust responsibility of the United States to Indian Tribes and Indians;

(iv) Affirm and enable the United States to fulfill its obligations to the Indian Tribes under treaties and other laws;

(v) Strengthen the government-to-government relationship between the United States and Indian Tribes through direct and meaningful consultation with all Tribes;

(vi) Permit an orderly transition from Federal domination of programs and services to provide Indian Tribes with meaningful authority, control, funding, and discretion to plan, conduct, redesign, and administer PSFAs that meet the needs of the individual Tribal communities;

(vii) Provide for a measurable parallel reduction in the Federal bureaucracy as programs, services, functions, and activities (or portion thereof) are assumed by Indian Tribes;

(viii) Encourage the Secretary to identify all PSFAs of the DHHS that may be managed by an Indian Tribe under this Act and to assist Indian Tribes in assuming responsibility for such PSFAs; and

(ix) Provide Indian Tribes with the earliest opportunity to administer PSFAs from throughout the Department.

(c) According to section 512(a) of the Act [25 U.S.C. 458aaa–11(a)], Congress has declared, except as otherwise provided by law, the Secretary shall interpret all Federal laws, Executive Orders, and regulations in a manner that will facilitate:

(1) The inclusion of PSFAs and funds associated therewith, in the agreements entered into under this section;

(2) The implementation of compacts and funding agreements entered into under this title; and

(3) The achievement of Tribal health goals and objectives.

(d) According to section 512(f) of the Act [25 U.S.C. 458aaa-11(f)], Congress has declared that each provision of Title V and each provision of a compact or funding agreement shall be liberally construed for the benefit of the Indian Tribe participating in and any ambiguity shall be resolved in favor of the Indian Tribe.

(e) According to section 515(b) of the Act [25 U.S.C. 458aaa-14(b)], Congress has declared that nothing in the Act shall be construed to diminish in any way the trust responsibility of the United States to Indian Tribes and individual Indians that exists under treaties, Executive orders, or other laws and court decisions.

(f) According to section 507(g) of the Act [25 U.S.C. 458aaa-6(g)], Congress has declared that the Secretary is prohibited from waiving, modifying, or diminishing in any way the trust responsibility of the United States with respect to Indian Tribes and individual Indians that exists under treaties, Executive orders, other laws, or court decisions.

(g) According to section 515(c) of the Act [25 U.S.C. 458aaa-14(c)], Congress has declared that the Indian Health Service (IHS) under this Act shall neither bill nor charge those Indians who may have the economic means to pay for services, nor require any Tribe to do so. Nothing in this section shall impair the right of the IHS or an Indian Tribe to seek recovery from third parties section 206 of the Indian Health Care Improvement Act [25 U.S.C. 1621e], under section 1 of the Federal Medical Care Recovery Act [42 U.S.C. 2651], and any other applicable Federal, State or Tribal law.

(h) According to section 507(e) of the Act [25 U.S.C. 458aaa-6(e)], Congress has declared that in the negotiation of compacts and funding agreements the Secretary shall at all times negotiate in good faith to maximize implementation of the self-governance policy. The Secretary shall carry out Title V in a manner that maximizes the policy of Tribal Self-Governance, and in a manner consistent with the purposes specified in section 3 of the Act.

### § 137.3 Effect on existing Tribal rights.

Nothing in this part shall be construed as:

(a) Affecting, modifying, diminishing, or otherwise impairing the sovereign immunity from suit enjoyed by Indian Tribes;

(b) Terminating, waiving, modifying, or reducing the trust responsibility of the United States to the Indian Tribe(s) or individual Indians. The Secretary must act in good faith in upholding this trust responsibility;

(c) Mandating an Indian Tribe to apply for a compact(s) or grant(s) as described in the Act; or

(d) Impeding awards by other Departments and agencies of the United States to Indian Tribes to administer Indian programs under any other applicable law.

### § 137.4 May Title V be construed to limit or reduce in any way the funding for any program, project, or activity serving an Indian Tribe under this or other applicable Federal law?

No, if an Indian Tribe alleges that a compact or funding agreement violates section 515(a) of the Act [25 U.S.C. 458aaa-14(a)], the Indian Tribe may apply the provisions of section 110 of the Act [25 U.S.C. 450m-1].

### § 137.5 Effect of these regulations on Federal program guidelines, manual, or policy directives.

Unless expressly agreed to by the Self-Governance Tribe in the compact or funding agreement, the Self-Governance Tribe shall not be subject to any agency circular, policy, manual, guidance, or rule adopted by the IHS, except for the eligibility provisions of section 105(g) of the Act [25 U.S.C. 450j(g)] and regulations promulgated under section 517 of the Act [25 U.S.C. 458aaa-16(e)].

### § 137.6 Secretarial policy.

In carrying out Tribal self-governance under Title V, the Secretary recognizes the right of Tribes to self-government and supports Tribal sovereignty and self-determination. The Secretary recognizes a unique legal relationship with Tribal governments as set forth in the Constitution of the

United States, treaties, statutes, Executive Orders, and court decisions. The Secretary supports the self-determination choices of each Tribe and will continue to work with all Tribes on a government-to-government basis to address issues concerning Tribal self-determination.

### Subpart B—Definitions

#### § 137.10 Definitions.

Unless otherwise provided in this part:

Act means sections 1 through 9 and Titles I and V of the Indian Self-Determination and Education Assistance Act of 1975, Public Law 93–638, as amended.

Appeal means a request by an Indian Tribe for an administrative review of an adverse decision by the Secretary.

Compact means a legally binding and mutually enforceable written agreement, including such terms as the parties intend shall control year after year, that affirms the government-to-government relationship between a Self-Governance Tribe and the United States.

Congressionally earmarked competitive grants as used in section 505(b)(1) of the Act [25 U.S.C. 458aaa–4(b)(1)] means statutorily mandated grants as defined in this section and used in subpart H of this part.

Contract means a self-determination contract as defined in section 4(j) of the Act [25 U.S.C. 450b].

Days means calendar days; except where the last day of any time period specified in these regulations falls on a Saturday, Sunday, or a Federal holiday, the period shall carry over to the next business day unless otherwise prohibited by law.

Department means the Department of Health and Human Services.

Director means the Director of the Indian Health Service.

Funding agreement means a legally binding and mutually enforceable written agreement that identifies the PSFAs that the Self-Governance Tribe will carry out, the funds being transferred from the Service Unit, Area, and Headquarter's levels in support of those PSFAs and such other terms as

are required, or may be agreed upon, pursuant to Title V.

Gross mismanagement means a significant, clear, and convincing violation of a compact, funding agreement, or regulatory or statutory requirements applicable to Federal funds transferred to an Indian Tribe by a compact or funding agreement that results in a significant reduction of funds available for the PSFAs assumed by a Self-Governance Tribe.

IHS means Indian Health Service.

IHS discretionary grant means a grant established by IHS pursuant to the IHS' discretionary authority without any specific statutory directive.

Indian means a person who is a member of an Indian Tribe.

Indian Tribe means any Indian Tribe, band, nation, or other organized group, or community, including pueblos, rancherias, colonies, and any Alaska Native Village, or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; provided that in any case in which an Indian Tribe has authorized another Indian Tribe, an inter-Tribal consortium, or a Tribal organization to plan for or carry out programs, services, functions, or activities (or portions thereof) on its behalf under Title V, the authorized Indian Tribe, inter-Tribal consortium or Tribal organization shall have the rights and responsibilities of the authorizing Indian Tribe (except as otherwise provided in the authorizing resolution or in this part). In such event, the term "Indian Tribe" as used in this part includes such other authorized Indian Tribe, inter-Tribal consortium, or Tribal organization.

Indirect costs shall have the same meaning as it has in 25 CFR 900.6 as applied to compacts, funding agreements and construction project agreements entered into under this part.

Inherent Federal functions means those Federal functions which cannot legally be delegated to Indian Tribes.

Inter-Tribal consortium means a coalition of two or more separate Indian

Tribes that join together for the purpose of participating in self-governance, including Tribal organizations.

OMB means the Office of Management and Budget.

PSFA means programs, services, functions, and activities (or portions thereof).

Real property means any interest in land together with the improvements, structures, and fixtures and appurtenances thereto.

Reassumption means rescission, in whole or part, of a funding agreement and assuming or resuming control or operation of the PSFAs by the Secretary without consent of the Self-Governance Tribe.

Retained Tribal share means those funds that are available as a Tribal share but which the Self-Governance Tribe elects to leave with the IHS to administer.

Retrocession means the voluntary return to the Secretary of a self-governance program, service, function or activity (or portion thereof) for any reason, before or on the expiration of the term of the funding agreement.

Secretary means the Secretary of Health and Human Services (and his or her respective designees.)

Self-Governance means the program of self-governance established under section 502 of the Act [25 U.S.C. 458aaa-1].

Self-Governance Tribe means an Indian Tribe participating in the program of self-governance pursuant to section 503(a) of the Act [25 U.S.C. 458aaa-2(a)] or selected and participating in self-governance pursuant to section 503(b) of the Act [25 U.S.C. 458aaa-2(b)].

Statutorily mandated grant as used in this section and subpart F of this part means a grant specifically designated in a statute for a defined purpose.

Title I means sections 1 through 9 and Title I of the Indian Self-Determination and Education Assistance Act of 1975, Pub. L. 93-638, as amended.

Title V means Title V of the Indian Self-Determination and Education Assistance Act of 1975, Pub. L. 93-638, as amended.

Tribal organization means the recognized governing body of any Indian

Tribe; any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body or which is democratically elected by the adult members of the Indian community to be served by such organization and which includes the maximum participation of Indians in all phases of its activities; provided, that in any case where a contract or compact is entered into, or a grant is made, to an organization to perform services benefitting more than one Indian Tribe, the approval of each such Indian Tribe shall be a prerequisite to the entering into or making of such contract, compact, or grant.

Tribal Self-Governance Advisory Committee means the Committee established by the Director of IHS that consists of Tribal representatives from each of the IHS Areas participating in Self-Governance, and that provides advocacy and policy guidance for implementation of Tribal Self-Governance within IHS.

Tribal share means an Indian Tribe's portion of all funds and resources that support secretarial PSFAs that are not required by the Secretary for the performance of inherent Federal functions.

## **Subpart C—Selection of Indian Tribes for Participation in Self-Governance**

### **§ 137.15 Who may participate in Tribal Self-Governance?**

Those Self-Governance Tribes described in 503(a) of the Act [25 U.S.C. 458aaa-2(a)] participating in the Title III Tribal Self-Governance Demonstration Project and up to 50 additional Indian Tribes per year that meet the criteria in § 137.18 may participate in self-governance.

### **§ 137.16 What if more than 50 Indian Tribes apply to participate in self-governance?**

The first Indian Tribes who apply and are determined to be eligible shall have the option to participate in self-governance. Any Indian Tribe denied participation due to the limitation in number of Indian Tribes that may take part is entitled to participate in the next fiscal year, provided the Indian

## § 137.17

Tribe continues to meet the financial stability and financial management capacity requirements.

### **§ 137.17 May more than one Indian Tribe participate in the same compact and/or funding agreement?**

Yes, Indian Tribes may either:

(a) Each sign the same compact and/or funding agreement, provided that each one meets the criteria to participate in self-governance and accepts legal responsibility for all financial and administrative decisions made under the compact or funding agreement, or

(b) Authorize another Indian Tribe to participate in self-governance on their behalf.

### **§ 137.18 What criteria must an Indian Tribe satisfy to be eligible to participate in self-governance?**

To be eligible to participate in self-governance, an Indian Tribe must have:

(a) Successfully completed the planning phase described in § 137.20;

(b) Requested participation in self-governance by resolution or other official action by the governing body of each Indian Tribe to be served; and

(c) Demonstrated, for three fiscal years, financial stability and financial management capability.

#### PLANNING PHASE

### **§ 137.20 What is required during the planning phase?**

The planning phase must be conducted to the satisfaction of the Indian Tribe and must include:

(a) legal and budgetary research; and  
(b) internal Tribal government planning and organizational preparation relating to the administration of health programs.

### **§ 137.21 How does an Indian Tribe demonstrate financial stability and financial management capacity?**

The Indian Tribe provides evidence that, for the three years prior to participation in self-governance, the Indian Tribe has had no uncorrected significant and material audit exceptions in the required annual audit of the Indian Tribe's self-determination contracts or self-governance funding agreements with any Federal agency.

## 42 CFR Ch. I (10–1–03 Edition)

### **§ 137.22 May the Secretary consider uncorrected significant and material audit exceptions identified regarding centralized financial and administrative functions?**

Yes, if the Indian Tribe chooses to centralize its self-determination or self-governance financial and administrative functions with non-self-determination or non-self-governance financial and administrative functions, such as personnel, payroll, property management, etc., the Secretary may consider uncorrected significant and material audit exceptions related to the integrity of a cross-cutting centralized function in determining the Indian Tribe's eligibility for participation in the self-governance program.

### **§ 137.23 For purposes of determining eligibility for participation in self-governance, may the Secretary consider any other information regarding the Indian Tribe's financial stability and financial management capacity?**

No, meeting the criteria set forth in §§ 137.21 and 137.22, shall be conclusive evidence of the required stability and capability to participate in self-governance.

### **§ 137.24 Are there grants available to assist the Indian Tribe to meet the requirements to participate in self-governance?**

Yes, any Indian Tribe may apply, as provided in § 137.25, for a grant to assist it to:

(a) Plan to participate in self-governance; and

(b) Negotiate the terms of the compact and funding agreement between the Indian Tribe and Secretary.

### **§ 137.25 Are planning and negotiation grants available?**

Subject to the availability of funds, IHS will annually publish a notice of the number of planning and negotiation grants available, an explanation of the application process for such grants, and the criteria for award. Questions may be directed to the Office of Tribal Self-Governance.

**§ 137.26 Must an Indian Tribe receive a planning or negotiation grant to be eligible to participate in self-governance?**

No, an Indian Tribe may use other resources to meet the planning requirement and to negotiate.

**Subpart D—Self-Governance compact**

**§ 137.30 What is a self-governance compact?**

A self-governance compact is a legally binding and mutually enforceable written agreement that affirms the government-to-government relationship between a Self-Governance Tribe and the United States.

**§ 137.31 What is included in a compact?**

A compact shall include general terms setting forth the government-to-government relationship consistent with the Federal Government's trust responsibility and statutory and treaty obligations to Indian Tribes and such other terms as the parties intend to control from year to year.

**§ 137.32 Is a compact required to participate in self-governance?**

Yes, Tribes must have a compact in order to participate in self-governance.

**§ 137.33 May an Indian Tribe negotiate a funding agreement at the same time it is negotiating a compact?**

Yes, at an Indian Tribe's option, a funding agreement may be negotiated prior to or at the same time as the negotiation of a compact.

**§ 137.34 May a funding agreement be executed without negotiating a compact?**

No, a compact is a separate document from a funding agreement, and the compact must be executed before or at the same time as a funding agreement.

**§ 137.35 What is the term of a self-governance compact?**

Upon approval and execution of a self-governance compact, the compact remains in effect for so long as permitted by Federal law or until termi-

nated by mutual written agreement or retrocession or reassumption of all PSFAs.

**Subpart E—Funding Agreements**

**§ 137.40 What is a funding agreement?**

A funding agreement is a legally binding and mutually enforceable written agreement that identifies the PSFAs that the Self-Governance Tribe will carry out, the funds being transferred from service unit, area and headquarters levels in support of those PSFAs and such other terms as are required or may be agreed upon pursuant to Title V.

**§ 137.41 What PSFAs must be included in a funding agreement?**

At the Self-Governance Tribe's option, all PSFAs identified in and in accordance with section 505(b) of the Act must be included in a funding agreement, subject to section 507(c) of the Act [25 U.S.C. 458aaa-6(c)].

**§ 137.42 What Tribal shares may be included in a funding agreement?**

All Tribal shares identified in sections 505(b)(1) [25 U.S.C. 458aaa-4(b)(1)] and 508(c) of the Act [25 U.S.C. 458aaa-7(c)] may be included in a funding agreement, including Tribal shares of IHS discretionary grants.

**§ 137.43 May a Tribe negotiate and leave funds with IHS for retained services?**

Yes, at the discretion of the Self-Governance Tribe, Tribal shares may be left, in whole or in part, with IHS for certain PSFAs. These shares are referred to as a "retained Tribal shares."

**TERMS IN A FUNDING AGREEMENT**

**§ 137.45 What terms must be included in a funding agreement?**

A funding agreement must include terms required under section 505(d) of the Act [25 U.S.C. 458aaa-4(d)] and provisions regarding mandatory reporting and reassumption pursuant to section 507(a) of the Act [25 U.S.C. 458aaa-6(a)], unless those provisions have been included in a compact.

## § 137.46

### **§ 137.46 May additional terms be included in a funding agreement?**

Yes, at the Self-Governance Tribe's option, additional terms may be included as set forth in sections 506 [25 U.S.C. 458aaa-5] and 516(b) of the Act [25 U.S.C. 458aaa-15(b)]. In addition, any other terms to which the Self-Governance Tribe and the Secretary agree may be included.

### **§ 137.47 Do any provisions of Title I apply to compacts, funding agreements, and construction project agreements negotiated under Title V of the Act?**

(a) Yes, the provisions of Title I listed in section 516(a) of the Act [25 U.S.C. 458aaa-15(a)] and section 314 of Pub. L. 101-512, as amended, [25 U.S.C. 450f note] mandatorily apply to a compact, funding agreement and construction project agreement to the extent they are not in conflict with Title V. In addition, at the option of a Self-Governance Tribe, under section 516(b) of the Act [25 U.S.C. 458aaa-15(b)] any provisions of Title I may be included in the compact or funding agreement.

(b) The provisions of Title I referenced in section 516(a) of the Act [25 U.S.C. 458aaa-15(a)] are sections 5 [25 U.S.C. 450c], 6 [25 U.S.C. 450d], 7 [25 U.S.C. 450e], 102(c) and (d) [25 U.S.C. 450f(c) and (d)], 104 [25 U.S.C. 450i], 105(k) and (l) [25 U.S.C. 450j(k) and (l)], 106(a) through (k) [25 U.S.C. 450j-1(a) through (k)], and 111 [25 U.S.C. 450n] of the Act.

### **§ 137.48 What is the effect of incorporating a Title I provision into a compact or funding agreement?**

The incorporated Title I provision shall have the same force and effect as if it were set out in full in Title V.

### **§ 137.49 What if a Self-Governance Tribe requests such incorporation at the negotiation stage of a compact or funding agreement?**

In that event, such incorporation shall be deemed effective immediately and shall control the negotiation and resulting compact and funding agreement.

## 42 CFR Ch. I (10-1-03 Edition)

### TERM OF A FUNDING AGREEMENT

### **§ 137.55 What is the term of a funding agreement?**

A funding agreement shall have the term mutually agreed to by the parties. Absent notification from an Indian Tribe that it is withdrawing or retroceding the operation of one or more PSFAs identified in the funding agreement, the funding agreement shall remain in full force and effect until a subsequent funding agreement is executed.

### **§ 137.56 Does a funding agreement remain in effect after the end of its term?**

Yes, the provisions of a funding agreement, including all recurring increases received and continuing eligibility for other increases, remain in full force and effect until a subsequent funding agreement is executed. Upon execution of a subsequent funding agreement, the provisions of such a funding agreement are retroactive to the end of the term of the preceding funding agreement.

### **§ 137.57 How is a funding agreement amended during the effective period of the funding agreement?**

A funding agreement may be amended by the parties as provided for in the funding agreement, Title V, or this part.

## **Subpart F—Statutorily Mandated Grants**

### **§ 137.60 May a statutorily mandated grant be added to a funding agreement?**

Yes, in accordance with section 505(b)(2) of the Act [25 U.S.C. 458aaa-4(b)(2)], a statutorily mandated grant may be added to the funding agreement after award.

### **§ 137.65 May a Self-Governance Tribe receive statutorily mandated grant funding in an annual lump sum advance payment?**

Yes, grant funds shall be added to the funding agreement as an annual lump sum advance payment after the grant is awarded.

Public Health Service, HHS

§ 137.76

**§ 137.66 May a Self-Governance Tribe keep interest earned on statutorily mandated grant funds?**

Yes, a Self-Governance Tribe may keep Interest Earned on Statutorily Mandated Grant Funds.

**§ 137.67 How may a Self-Governance Tribe use interest earned on statutorily mandated grant funds?**

Interest earned on such funds must be used to enhance the grant program including allowable administrative costs.

**§ 137.68 May funds from a statutorily mandated grant added to a funding agreement be reallocated?**

No, unless it is permitted under the statute authorizing the grant or under the terms and conditions of the grant award, funds from a statutorily mandated grant may not be reallocated.

**§ 137.69 May a statutorily mandated grant program added to a funding agreement be redesigned?**

No, unless it is permitted under the statute authorizing the grant or under the terms and conditions of the grant award, a program added to a funding agreement under a statutorily mandated grant may not be redesigned.

**§ 137.70 Are the reporting requirements different for a statutorily mandated grant program added to a funding agreement?**

Yes, the reporting requirements for a statutorily mandated grant program added to a funding agreement are subject to the terms and conditions of the grant award.

**§ 137.71 May the Secretary and the Self-Governance Tribe develop separate programmatic reporting requirements for statutorily mandated grants?**

Yes, the Secretary and the Self-Governance Tribe may develop separate programmatic reporting requirements for statutorily mandated grants.

**§ 137.72 Are Self-Governance Tribes and their employees carrying out statutorily mandated grant programs added to a funding agreement covered by the Federal Tort Claims Act (FTCA)?**

Yes, Self-Governance Tribes and their employees carrying out statutorily mandated grant programs are added to a funding agreement covered by the FTCA. Regulations governing coverage under the FTCA are published at 25 CFR Part 900, Subpart M.

**§ 137.73 What provisions of Title V apply to statutorily mandated grants added to the funding agreement?**

None of the provisions of Title V apply.

**Subpart G—Funding**

GENERAL

**§ 137.75 What funds must the Secretary transfer to a Self-Governance Tribe in a funding agreement?**

Subject to the terms of any compact or funding agreement, the Secretary must transfer to a Tribe all funds provided for in the funding agreement, pursuant to section 508(c) of the Act [25 U.S.C. 458aaa-7(c)] and § 137.80. The Secretary shall provide funding for periods covered by joint resolution adopted by Congress making continuing appropriations, to the extent permitted by such resolutions.

**§ 137.76 When must the Secretary transfer to a Self-Governance Tribe funds identified in a funding agreement?**

When a funding agreement requires an annual transfer of funding to be made at the beginning of a fiscal year, or requires semiannual or other periodic transfers of funding to be made commencing at the beginning of a fiscal year, the first such transfer shall be made not later than 10 days after the apportionment of such funds by the OMB to the Department, unless the funding agreement provides otherwise.

## § 137.77

### **§ 137.77 When must the Secretary transfer funds that were not paid as part of the initial lump sum payment?**

The Secretary must transfer any funds that were not paid in the initial lump sum payment within 10 days after distribution methodologies and other decisions regarding payment of those funds have been made by the IHS.

### **§ 137.78 May a Self-Governance Tribe negotiate a funding agreement for a term longer or shorter than one year?**

Yes, upon Tribal request, the Secretary must negotiate a funding agreement for a term longer or shorter than a year. All references in these regulations to funding agreements shall also include funding agreements for a term longer or shorter than one year.

### **§ 137.79 What funds must the Secretary include in a funding agreement?**

The Secretary must include funds in a funding agreement in an amount equal to the amount that the Self-Governance Tribe would have been entitled to receive in a contract under Title I, including amounts for direct program costs specified under section 106(a)(1) of the Act and amounts for contract support costs specified under section 106(a)(2), (3), (5), and (6) of the Act [25 U.S.C. 450j-1(a)(2), (3), (5) and (6)]. In addition, the Secretary shall include any funds that are specifically or functionally related to the provision by the Secretary of services and benefits to the Self-Governance Tribe or its members, all without regard to the organizational level within the Department where such functions are carried out.

#### PROHIBITIONS

### **§ 137.85 Is the Secretary prohibited from failing or refusing to transfer funds that are due to a Self-Governance Tribe under Title V?**

Yes, sections 508(d)(1)(A) and (B) of the Act [25 U.S.C. 458aaa-7(d)(1)(A) and (B)] expressly prohibit the Secretary from:

(a) Failing or refusing to transfer to a Self-Governance Tribe its full share of any central, headquarters, regional,

## 42 CFR Ch. I (10–1–03 Edition)

area, or service unit office or other funds due under Title V, except as required by Federal law, and

(b) From withholding portions of such funds for transfer over a period of years.

### **§ 137.86 Is the Secretary prohibited from reducing the amount of funds required under Title V to make funding available for self-governance monitoring or administration by the Secretary?**

Yes, the Secretary is prohibited from reducing the amount of funds required under Title V to make funding available for self-governance monitoring or administration.

### **§ 137.87 May the Secretary reduce the amount of funds due under Title V in subsequent years?**

No, in accordance with section 508(d)(1)(C)(ii) of the Act [25 U.S.C. 458aaa-7(d)(1)(C)(ii)], the Secretary is prohibited from reducing the amount of funds required under Title V in subsequent years, except pursuant to:

(a) A reduction in appropriations from the previous fiscal year for the program or function to be included in a compact or funding agreement;

(b) A Congressional directive in legislation or accompanying report;

(c) A Tribal authorization;

(d) A change in the amount of pass-through funds subject to the terms of the funding agreement; or

(e) Completion of a project, activity, or program for which such funds were provided.

### **§ 137.88 May the Secretary reduce the amount of funds required under Title V to pay for Federal functions, including Federal pay costs, Federal employee retirement benefits, automated data processing, technical assistance, and monitoring of activities under the Act?**

No, the Secretary may not reduce the amount of funds required under Title V to pay for Federal functions, including Federal pay costs, Federal employee retirement benefits, automated data processing, technical assistance, and monitoring of activities under the Act.

**§ 137.89 May the Secretary reduce the amount of funds required under Title V to pay for costs of Federal personnel displaced by contracts under Title I or Self-Governance under Title V?**

No, the Secretary may not reduce the amount of funds required under Title V to pay for costs of Federal personnel displaced by contracts under Title I or Self-Governance under Title V.

**§ 137.90 May the Secretary increase the funds required under the funding agreement?**

Yes, the Secretary may increase the funds required under the funding agreement. However, the Self-Governance Tribe and the Secretary must agree to any transfer of funds to the Self-Governance Tribe unless otherwise provided for in the funding agreement.

ACQUISITION OF GOODS AND SERVICES  
FROM THE IHS

**§ 137.95 May a Self-Governance Tribe purchase goods and services from the IHS on a reimbursable basis?**

Yes, a Self-Governance Tribe may choose to purchase from the IHS any goods and services transferred by the IHS to a Self-Governance Tribe in a compact or funding agreement. The IHS shall provide any such goods and services to the Self-Governance Tribe, on a reimbursable basis, including payment in advance with subsequent adjustment.

PROMPT PAYMENT ACT

**§ 137.96 Does the Prompt Payment Act apply to funds transferred to a Self-Governance Tribe in a compact or funding agreement?**

Yes, the Prompt Payment Act, 39 U.S.C. section 3901 et seq., applies to the transfer of all funds due under a compact or funding agreement authorized pursuant to Title V. See also § 137.76 through 137.78 and 137.341(f).

INTEREST OR OTHER INCOME ON  
TRANSFERS

**§ 137.100 May a Self-Governance Tribe retain and spend interest earned on any funds paid under a compact or funding agreement?**

Yes, pursuant to section 508(h) of the Act [25 U.S.C. 458aaa-7(h)], a Self-Governance Tribe may retain and spend interest earned on any funds paid under a compact or funding agreement.

**§ 137.101 What standard applies to a Self-Governance Tribe's management of funds paid under a compact or funding agreement?**

A Self-Governance Tribe is under a duty to invest and manage the funds as a prudent investor would, in light of the purpose, terms, distribution requirements, and provisions in the compact or funding agreement and Title V. This duty requires the exercise of reasonable care, skill, and caution, and is to be applied to investments not in isolation but in the context of the investment portfolio and as a part of an overall investment strategy, which should incorporate risk and return objectives reasonably suitable to the Self-Governance Tribe. In making and implementing investment decisions, the Self-Governance Tribe has a duty to diversify the investments unless, under the circumstances, it is prudent not to do so. In addition, the Self-Governance Tribe must:

- (a) Conform to fundamental fiduciary duties of loyalty and impartiality;
- (b) Act with prudence in deciding whether and how to delegate authority and in the selection and supervision of agents; and
- (c) Incur only costs that are reasonable in amount and appropriate to the investment responsibilities of the Self-Governance Tribe.

CARRYOVER OF FUNDS

**§ 137.105 May a Self-Governance Tribe carryover from one year to the next any funds that remain at the end of the funding agreement?**

Yes, pursuant to section 508(i) of the Act, a Self-Governance Tribe may carryover from one year to the next any funds that remain at the end of the funding agreement.

## § 137.110

### PROGRAM INCOME

#### **§ 137.110 May a Self-Governance Tribe retain and expend any program income earned pursuant to a compact and funding agreement?**

All Medicare, Medicaid, or other program income earned by a Self-Governance Tribe shall be treated as supplemental funding to that negotiated in the funding agreement. The Self-Governance Tribe may retain all such income and expend such funds in the current year or in future years except to the extent that the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.) provides otherwise for Medicare and Medicaid receipts. Such funds shall not result in any offset or reduction in the amount of funds the Self-Governance Tribe is authorized to receive under its funding agreement in the year the program income is received or for any subsequent fiscal year.

### LIMITATION OF COSTS

#### **§ 137.115 Is a Self-Governance Tribe obligated to continue performance under a compact or funding agreement if the Secretary does not transfer sufficient funds?**

No, if a Self-Governance Tribe believes that the total amount of funds provided for a specific PSFA in a compact or funding agreement is insufficient, the Self-Governance Tribe must provide reasonable written notice of such insufficiency to the Secretary. If the Secretary does not increase the amount of funds transferred under the funding agreement in a quantity sufficient for the Self-Governance Tribe to complete the PSFA, as jointly determined by the Self-Governance Tribe and the Secretary, the Self-Governance Tribe may suspend performance of the PSFA until such time as additional funds are transferred.

### STABLE BASE BUDGET

#### **§ 137.120 May a Self-Governance Tribe's funding agreement provide for a stable base budget?**

Yes, at the option of a Self-Governance Tribe, a funding agreement may provide for a stable base budget, specifying the recurring funds to be transferred to a Self-Governance Tribe for a

## 42 CFR Ch. I (10–1–03 Edition)

period specified in the funding agreement.

#### **§ 137.121 What funds may be included in a stable base budget amount?**

The stable base budget amount may include, at the option of the Self-Governance Tribe,

(a) Recurring funds available under section 106(a) of the Act [25 U.S.C. 450j–1] ;

(b) Recurring Tribal shares; and

(c) Any recurring funds for new or expanded PSFAs not previously assumed by the Self-Governance Tribe.

#### **§ 137.122 May a Self-Governance Tribe with a stable base budget receive other funding under its funding agreement?**

Yes, the funding agreement may include non-recurring funds, other recurring funds, and other funds the Self-Governance Tribe is entitled to include in a funding agreement that are not included in the stable base budget amount.

#### **§ 137.123 Once stable base funding is negotiated, do funding amounts change from year to year?**

Stable base funding amounts are subject to adjustment:

(a) Annually only to reflect changes in Congressional appropriations by sub-sub activity excluding earmarks;

(b) By mutual agreement of the Self-Governance Tribe and the Secretary; or

(c) As a result of full or partial retrocession or reassumption.

#### **§ 137.124 Does the effective period of a stable base budget have to be the same as the term of the funding agreement?**

No, the Self-Governance Tribe may provide in its funding agreement that the effective period of the stable base budget will be either longer or shorter than the term of the funding agreement.

### Subpart H—Final Offer

#### **§ 137.130 What is covered by this subpart?**

This subpart explains the final offer process provided by the statute for resolving, within a specific timeframe,

## Public Health Service, HHS

## § 137.141

disputes that may develop in negotiation of compacts, funding agreements, or amendments thereof.

### **§ 137.131 When should a final offer be submitted?**

A final offer should be submitted when the Secretary and an Indian Tribe are unable to agree, in whole or in part, on the terms of a compact or funding agreement (including funding levels).

### **§ 137.132 How does the Indian Tribe submit a final offer?**

(a) A written final offer should be submitted:

(1) During negotiations to the agency lead negotiator *or*

(2) Thereafter to the Director.

(b) The document should be separate from the compact, funding agreement, or amendment and clearly identified as a "Final Offer."

### **§ 137.133 What does a final offer contain?**

A final offer contains a description of the disagreement between the Secretary and the Indian Tribe and the Indian Tribe's final proposal to resolve the disagreement.

### **§ 137.134 When does the 45 day review period begin?**

The 45 day review period begins from the date the IHS receives the final offer. Proof of receipt may include a date stamp, or postal return receipt, or hand delivery.

### **§ 137.135 May the Secretary request and obtain an extension of time of the 45 day review period?**

Yes, the Secretary may request an extension of time before the expiration of the 45 day review period. The Indian Tribe may either grant or deny the Secretary's request for an extension. To be effective, any grant of extension of time must be in writing and be signed by the person authorized by the Indian Tribe to grant the extension before the expiration of the 45 day review period.

### **§ 137.136 What happens if the agency takes no action within the 45 day review period (or any extensions thereof)?**

The final offer is accepted automatically by operation of law.

### **§ 137.137 If the 45 day review period or extension thereto, has expired, and the Tribes offer is deemed accepted by operation of law, are there any exceptions to this rule?**

No, there are no exceptions to this rule if the 45 day review period or extension thereto, has expired, and the Tribe's offer is deemed accepted by operation of law.

### **§ 137.138 Once the Indian Tribe's final offer has been accepted or deemed accepted by operation of law, what is the next step?**

After the Indian Tribe's final offer is accepted or deemed accepted, the terms of the Indian Tribe's final offer and any funds included therein, shall be added to the funding agreement or compact within 10 days of the acceptance or the deemed acceptance.

## REJECTION OF FINAL OFFERS

### **§ 137.140 On what basis may the Secretary reject an Indian Tribe's final offer?**

The Secretary may reject an Indian Tribe's final offer for one of the following reasons:

(a) the amount of funds proposed in the final offer exceeds the applicable funding level to which the Indian Tribe is entitled under the Act;

(b) the PSFA that is the subject of the final offer is an inherent Federal function that cannot legally be delegated to an Indian Tribe;

(c) the Indian Tribe cannot carry out the PSFA in a manner that would not result in significant danger or risk to the public health; or

(d) the Indian Tribe is not eligible to participate in self-governance under section 503 of the Act [25 U.S.C. 458aaa-2].

### **§ 137.141 How does the Secretary reject a final offer?**

The Secretary must reject a final offer by providing written notice to the

## § 137.142

Indian Tribe based on the criteria in § 137.140 not more than 45 days after receipt of a final offer, or within a longer time period as agreed by the Self-Governance Tribe consistent with this subpart.

### **§ 137.142 What is a “significant danger” or “risk” to the public health?**

A significant danger or risk is determined on a case-by-case basis in accordance with section 507(c) of the Act [25 U.S.C. 458aaa-6(c)].

### **§ 137.143 How is the funding level to which the Indian Tribe is entitled determined?**

The Secretary must provide funds under a funding agreement in an amount equal to the amount that the Indian Tribe would have been entitled to receive under self-determination contracts under this Act, including amounts for direct program costs specified under section 106(a)(1) of the Act [25 U.S.C. 450j-1(a)(1)] and amounts for contract support costs specified under section 106(a) (2), (3), (5), and (6) of the Act [25 U.S.C. 450j-1(a)(2), (3), (5) and (6)], including any funds that are specifically or functionally related to the provision by the Secretary of services and benefits to the Indian Tribe or its members, all without regard to the organizational level within the Department where such functions are carried out.

### **§ 137.144 Is technical assistance available to an Indian Tribe to avoid rejection of a final offer?**

Yes, upon receiving a final offer, the Secretary must offer any necessary technical assistance, and must share all relevant information with the Indian Tribe in order to avoid rejection of a final offer.

### **§ 137.145 If the Secretary rejects a final offer, is the Secretary required to provide the Indian Tribe with technical assistance?**

Yes, the Secretary must offer and, if requested by the Indian Tribe, provide additional technical assistance to overcome the stated grounds for rejection.

## 42 CFR Ch. I (10–1–03 Edition)

### **§ 137.146 If the Secretary rejects all or part of a final offer, is the Indian Tribe entitled to an appeal?**

Yes, the Indian Tribe is entitled to appeal the decision of the Secretary, with an agency hearing on the record, and the right to engage in full discovery relevant to any issue raised in the matter. The procedures for appeals are found in subpart P of this part. Alternatively, at its option, the Indian Tribe has the right to sue pursuant to section 110 of the Act [25 U.S.C. 450m-1] in Federal district court to challenge the Secretary's decision.

### **§ 137.147 Do those portions of the compact, funding agreement, or amendment not in dispute go into effect?**

Yes, subject to section 507(c)(1)(D) of the Act [25 U.S.C. 458aaa-6(c)(1)(D)].

### **§ 137.148 Does appealing the decision of the Secretary prevent entering into the compact, funding agreement, or amendment?**

No, appealing the decision of the Secretary does not prevent entering into the compact, funding agreement, or amendment.

## BURDEN OF PROOF

### **§ 137.150 What is the burden of proof in an appeal from rejection of a final offer?**

With respect to any appeal, hearing or civil action, the Secretary shall have the burden of demonstrating by clear and convincing evidence the validity of the grounds for rejecting the final offer.

## DECISION MAKER

### **§ 137.155 What constitutes a final agency action?**

A final agency action shall consist of a written decision from the Department to the Indian Tribe either:

- (a) By an official of the Department who holds a position at a higher organizational level within the Department than the level of the departmental agency in which the decision that is the subject of the appeal was made; or
- (b) By an administrative judge.

**Subpart I—Operational Provisions****CONFLICTS OF INTEREST****§ 137.160 Are Self-Governance Tribes required to address potential conflicts of interest?**

Yes, self-Governance Tribes participating in self-governance under Title V must ensure that internal measures are in place to address conflicts of interest in the administration of self-governance PSFAs.

**AUDITS AND COST PRINCIPLES****§ 137.165 Are Self-Governance Tribes required to undertake annual audits?**

Yes, under the provisions of section 506(c) of the Act [25 U.S.C. 458aaa-5(c)], Self-Governance Tribes must undertake annual audits pursuant to the Single Audit Act, 31 U.S.C. 7501 *et seq.*

**§ 137.166 Are there exceptions to the annual audit requirements?**

Yes, the exceptions are described in 31 U.S.C. 7502 of the Single Audit Act.

**§ 137.167 What cost principles must a Self-Governance Tribe follow when participating in self-governance under Title V?**

A Self-Governance Tribe must apply the cost principles of the applicable OMB circular, except as modified by:

- (a) Section 106 (k) of the Act [25 U.S.C. 450j-1],
- (b) Other provisions of law, or
- (c) Any exemptions to applicable OMB circulars subsequently granted by the OMB.

**§ 137.168 May the Secretary require audit or accounting standards other than those specified in § 137.167?**

No, no other audit or accounting standards shall be required by the Secretary.

**§ 137.169 How much time does the Federal Government have to make a claim against a Self-Governance Tribe relating to any disallowance of costs, based on an audit conducted under § 137.165?**

Any right of action or other remedy (other than those relating to a criminal offense) relating to any disallow-

ance of costs is barred unless the Secretary provides notice of such a disallowance within 365 days from receiving any required annual agency single audit report or, for any period covered by law or regulation in force prior to enactment of the Single Agency Audit Act of 1984, any other required final audit report.

**§ 137.170 When does the 365 day period commence?**

For the purpose of determining the 365 day period, an audit report is deemed received on the date of actual receipt by the Secretary, at the address specified in § 137.172, if, within 60 days after receiving the audit report, the Secretary does not give notice of a determination by the Secretary to reject the single-agency audit report as insufficient due to non-compliance with chapter 75 of title 31, United States Code or noncompliance with any other applicable law.

**§ 137.171 Where do Self-Governance Tribes send their audit reports?**

(a) For fiscal years ending on or before June 30, 1996, the audit report must be sent to: National External Audit Review Center, Lucas Place Room 514, 323 W. 8th St., Kansas City, MO 64105.

(b) For fiscal years, beginning after June 30, 1996, the audit report must be sent to: Single Audit Clearinghouse, 1201 E. 10th St., Jeffersonville, IN 47132.

**§ 137.172 Should the audit report be sent anywhere else to ensure receipt by the Secretary?**

Yes, the Self-Governance Tribe should also send the audit report to: National External Audit Review Center, Lucas Place Room 514, 323 W. 8th St., Kansas City, MO 64105.

**§ 137.173 Does a Self-Governance Tribe have a right of appeal from a disallowance?**

Yes, the notice must set forth the right of appeal and hearing to the Interior Board of Contract Appeals, pursuant to section 110 of the Act [25 U.S.C. 450m-1].

## § 137.175

### RECORDS

#### **§ 137.175 Is a Self-Governance Tribe required to maintain a record-keeping system?**

Yes. Tribes are required to maintain records and provide Federal agency access to those records as provided in § 137.177.

#### **§ 137.176 Are Tribal records subject to the Freedom of Information Act and Federal Privacy Act?**

No, except to the extent that a Self-Governance Tribe specifies otherwise in its compact or funding agreement, the records of the Self-Governance Tribe shall not be considered Federal records for purposes of chapter 5 of title 5, United States Code.

#### **§ 137.177 Is the Self-Governance Tribe required to make its records available to the Secretary?**

Yes, after 30 days advance written notice from the Secretary, the Self-Governance Tribe must provide the Secretary with reasonable access to such records to enable the Department to meet its minimum legal record-keeping system requirements under sections 3101 through 3106 of title 44 United States Code.

#### **§ 137.178 May Self-Governance Tribes store patient records at the Federal Records Centers?**

Yes, at the option of a Self-Governance Tribe, patient records may be stored at Federal Records Centers to the same extent and in the same manner as other Department patient records in accordance with section 105(o) of the Act [25 U.S.C. 450j(o)].

#### **§ 137.179 May a Self-Governance Tribe make agreements with the Federal Records Centers regarding disclosure and release of the patient records stored pursuant to § 137.178?**

Yes, a Self-Governance Tribe may make agreements with the Federal Records Centers regarding disclosure and release of the patient records stored pursuant to § 137.178.

## 42 CFR Ch. I (10–1–03 Edition)

#### **§ 137.180 Are there other laws that govern access to patient records?**

Yes, a Tribe must consider the potential application of Tribal, Federal and state law and regulations that may apply to requests for access to Tribal patient records, such as the provisions 42 CFR 2.1–2.67 pertaining to records regarding drug and/or alcohol treatment.

### REDESIGN

#### **§ 137.185 May a Self-Governance Tribe redesign or consolidate the PSFAs that are included in a funding agreement and reallocate or redirect funds for such PSFAs?**

Yes, a Self-Governance Tribe may redesign or consolidate PSFAs included in a funding agreement and reallocate or redirect funds for such PSFAs in any manner which the Self-Governance Tribe deems to be in the best interest of the health and welfare of the Indian community being served, only if the redesign or consolidation does not have the effect of denying eligibility for services to population groups otherwise eligible to be served under applicable Federal law.

### NON-DUPLICATION

#### **§ 137.190 Is a Self-Governance Tribe that receives funds under Title V also entitled to contract under section 102 of the Act [25 U.S.C. 450(f)] for such funds?**

For the period for which, and to the extent to which, funding is provided under the compact or funding agreement, the Self-Governance Tribe is not entitled to contract with the Secretary for the same funds or PSFA under section 102 of the Act [25 U.S.C. 450f]. Such Self-Governance Tribe is eligible for new programs on the same basis as other Indian Tribes.

### HEALTH STATUS REPORTS

#### **§ 137.200 Are there reporting requirements for Self-Governance Tribes under Title V?**

Yes, compacts or funding agreements negotiated between the Secretary and a Self-Governance Tribe must include a provision that requires the Self-Governance Tribe to report on health status and services delivery. These reports

may only impose minimal burdens on the Self-Governance Tribes.

**§ 137.201 What are the purposes of the Tribal reporting requirements?**

Tribal reports enable the Secretary to prepare reports required under Title V and to develop the budget request. The reporting requirements are not intended as a quality assessment or monitoring tool, although such provision may be included at the option of the Self-Governance Tribe. Under no circumstances will the reporting requirement include any confidential, proprietary or commercial information. For example, while staffing levels may be a part of a report, pay levels for the staff are considered confidential between the Self-Governance Tribe and the employee.

**§ 137.202 What types of information will Self-Governance Tribes be expected to include in the reports?**

Reports will be derived from existing minimal data elements currently collected by Self-Governance Tribes, and may include patient demographic and workload data. Not less than 60 days prior to the start of negotiations or a mutually agreed upon timeframe, the IHS will propose a list of recommended minimal data elements, along with justification for their inclusion, to be used as a basis for negotiating these requirements into the Self-Governance Tribe's compact or funding agreement.

**§ 137.203 May a Self-Governance Tribe participate in a voluntary national uniform data collection effort with the IHS?**

Yes, in order to advance Indian health advocacy efforts, each Self-Governance Tribe will be encouraged to participate, at its option, in national IHS data reporting activities such as Government Performance Results Act, epidemiologic and surveillance reporting.

**§ 137.204 How will this voluntary national uniform data set be developed?**

IHS will work with representatives of Self-Governance Tribes, in coordination with the Tribal Self Governance Advisory Committee (TSGAC), to develop a mutually-defined annual vol-

untary uniform subset of data that is consistent with Congressional intent, minimizes reporting burdens, and responds to the needs of the Self-Governance Tribe.

**§ 137.205 Will this voluntary uniform data set reporting activity be required of all Self-Governance Tribes entering into a compact with the IHS under Title V?**

No, to the extent that specific resources are available or have not otherwise been provided to Self-Governance Tribes for this purpose, and if the Self-Governance Tribes choose to participate, the IHS will provide resources, hardware, software, and technical assistance to the Self-Governance Tribes to facilitate data gathering to ensure data consistency and integrity under this voluntary effort.

**§ 137.206 Why does the IHS need this information?**

This information will be used to comply with sections 513 [25 U.S.C. 458aaa-12] and 514 [25 U.S.C. 458aaa-13] of the Act as well as to assist IHS in advocating for the Indian health system, budget formulation, and other reporting required by statute, development of partnerships with other organizations that benefit the health status of Indian Tribes, and sharing of best practices.

**§ 137.207 Will funding be provided to the Self-Governance Tribe to compensate for the costs of reporting?**

Yes, reporting requirements are subject to the Secretary providing specific funds for this purpose in the funding agreement.

SAVINGS

**§ 137.210 What happens if self-governance activities under Title V reduce the administrative or other responsibilities of the Secretary with respect to the operation of Indian programs and result in savings?**

To the extent that PSFAs carried out by Self-Governance Tribes under Title V reduce the administrative or other responsibilities of the Secretary with respect to the operation of Indian programs and result in savings that have not otherwise been included in the amount of Tribal shares and other

## § 137.211

funds determined under section 508(c) of the Act [25 U.S.C. 458aaa-7(c)], the Secretary must make such savings available to the Self-Governance Tribes, for the provision of additional services to program beneficiaries in a manner equitable to directly served, contracted, and compacted programs.

### **§ 137.211 How does a Self-Governance Tribe learn whether self-governance activities have resulted in savings as described in § 137.210.**

The annual report prepared pursuant to section 514(b)(2) [25 U.S.C. 458aaa-13(b)(2)] of the Act must specifically identify any such savings.

#### ACCESS TO GOVERNMENT FURNISHED PROPERTY

### **§ 137.215 How does a Self-Governance Tribe obtain title to real and personal property furnished by the Federal Government for use in the performance of a compact, funding agreement, construction project agreement, or grant agreement pursuant to section 512(c) of the Act [25 U.S.C. 458aaa-11(c)]?**

(a) For government-furnished real and personal property made available to a Self-Governance Tribe, the Self-Governance Tribe must take title to all real or personal property unless the Self-Governance Tribe requests that the United States retain the title.

(b) For government-furnished personal property made available to a Self-Governance Tribe:

(1) The Secretary, in consultation with each Self-Governance Tribe, must develop a list of the property used in a compact, funding agreement, or construction project agreement.

(2) The Self-Governance Tribe must indicate any items on the list to which the Self-Governance Tribe wants the Secretary to retain title.

(3) The Secretary must provide the Self-Governance Tribe with any documentation needed to transfer title to the remaining listed property to the Self-Governance Tribe.

(c) For government-furnished real property made available to a Self-Governance Tribe:

(1) The Secretary, in consultation with the Self-Governance Tribe, must develop a list of the property furnished for use in a compact, funding agree-

## 42 CFR Ch. I (10-1-03 Edition)

ment, or construction project agreement.

(2) The Secretary must inspect any real property on the list to determine the presence of any hazardous substance activity, as defined in 41 CFR 101-47.202-2(b)(10).

(3) The Self-Governance Tribe must indicate on the list to the Secretary any items of real property to which the Self-Governance Tribe wants the Secretary to retain title and those items of property to which the Self-Governance Tribe wishes to obtain title. The Secretary must take such steps as necessary to transfer title to the Self-Governance Tribe those items of real property which the Self-Governance Tribe wishes to acquire.

#### MATCHING AND COST PARTICIPATION REQUIREMENTS

### **§ 137.217 May funds provided under compacts, funding agreements, or grants made pursuant to Title V be treated as non-Federal funds for purposes of meeting matching or cost participation requirements under any other Federal or non-Federal program?**

Yes, funds provided under compacts, funding agreements, or grants made pursuant to Title V may be treated as non-Federal funds for purposes of meeting matching or cost participation requirements under any other Federal or non-Federal program.

#### FEDERAL TORT CLAIMS ACT (FTCA)

### **§ 137.220 Do section 314 of Public Law 101-512 [25 U.S.C. 450f note] and section 102(d) of the Act [25 U.S.C. 450f(d)] (regarding, in part, FTCA coverage) apply to compacts, funding agreements and construction project agreements?**

Yes, regulations governing FTCA coverage are set out at 25 CFR Part 900, Subpart M.

#### Subpart J—Regulation Waiver

### **§ 137.225 What regulations may be waived under Title V?**

A Self-Governance Tribe may request a waiver of regulation(s) promulgated under section 517 of the Act [25 U.S.C. 458aaa-16] or under the authorities specified in section 505(b) of the Act [25 U.S.C. 458aaa-4(b)] for a compact or

funding agreement entered into with the IHS under Title V.

**§ 137.226 How does a Self-Governance Tribe request a waiver?**

A Self-Governance Tribe may request a waiver by submitting a written request to the Secretary identifying the applicable Federal regulation(s) sought to be waived and the basis for the request.

**§ 137.227 How much time does the Secretary have to act on a waiver request?**

The Secretary must either approve or deny the requested waiver in writing within 90 days after receipt by the Secretary.

**§ 137.228 Upon what basis may the waiver request be denied?**

A denial may be made only upon a specific finding by the Secretary that identified language in the regulation may not be waived because such waiver is prohibited by Federal law.

**§ 137.229 What happens if the Secretary neither approves or denies a waiver request within the time specified in § 137.227?**

The waiver request is deemed approved.

**§ 137.230 Is the Secretary's decision on a waiver request final for the Department?**

Yes, the Secretary's decision on a waiver request is final for the Department.

**§ 137.231 May a Self-Governance Tribe appeal the Secretary's decision to deny its request for a waiver of a regulation promulgated under section 517 of the Act [25 U.S.C. 458aaa-16]?**

The decision may not be appealed under these regulations but may be appealed by the Self-Governance Tribe in Federal Court under applicable law.

**Subpart K—Withdrawal**

**§ 137.235 May an Indian Tribe withdraw from a participating inter-Tribal consortium or Tribal organization?**

Yes, an Indian Tribe may fully or partially withdraw from a participating inter-Tribal consortium or Tribal organization its share of any PSFAs included in a compact or funding agreement.

**§ 137.236 When does a withdrawal become effective?**

A withdrawal becomes effective within the time frame specified in the resolution that authorizes withdrawal from the participating Tribal organization or inter-Tribal consortium. In the absence of a specific time frame set forth in the resolution, such withdrawal becomes effective on

(a) The earlier of 1 year after the date of submission of such request, or the date on which the funding agreement expires; or

(b) Such date as may be mutually agreed upon by the Secretary, the withdrawing Indian Tribe, and the participating Tribal organization or inter-Tribal consortium that has signed the compact or funding agreement on behalf of the withdrawing Indian Tribe, inter-Tribal consortium, or Tribal organization.

**§ 137.237 How are funds redistributed when an Indian Tribe fully or partially withdraws from a compact or funding agreement and elects to enter a contract or compact?**

When an Indian Tribe eligible to enter into a contract under Title I or a compact or funding agreement under Title V fully or partially withdraws from a participating inter-Tribal consortium or Tribal organization, and has proposed to enter into a contract or compact and funding agreement covering the withdrawn funds:

(a) The withdrawing Indian Tribe is entitled to its Tribal share of funds supporting those PSFAs that the Indian Tribe will be carrying out under its own contract or compact and funding agreement (calculated on the same basis as the funds were initially allocated in the funding agreement of the

## § 137.238

inter-Tribal consortium or Tribal organization); and

(b) the funds referred to in paragraph (a) of this section must be transferred from the funding agreement of the inter-Tribal consortium or Tribal organization, on the condition that the provisions of sections 102 [25 U.S.C. 450f] and 105(i) of the Act [25 U.S.C. 450j], as appropriate, apply to the withdrawing Indian Tribe.

### **§ 137.238 How are funds distributed when an Indian Tribe fully or partially withdraws from a compact or funding agreement administered by an inter-Tribal consortium or Tribal organization serving more than one Indian Tribe and the withdrawing Indian Tribe elects not to enter a contract or compact?**

All funds not obligated by the inter-Tribal consortium or Tribal organization associated with the withdrawing Indian Tribe's returned PSFAs, less close out costs, shall be returned by the inter-Tribal consortium or Tribal organization to the IHS for operation of the PSFAs included in the withdrawal.

### **§ 137.239 If the withdrawing Indian Tribe elects to operate PSFAs carried out under a compact or funding agreement under Title V through a contract under Title I, is the resulting contract considered a mature contract under section 4(h) of the Act [25 U.S.C. 450b(h)]?**

Yes, if the withdrawing Indian Tribe elects to operate PSFAs carried out under a compact or funding agreement under Title V through a contract under Title I, the resulting contract is considered a mature contract under section 4(h) of the Act [25 U.S.C. 450b(h)] at the option of the Indian Tribe.

## **Subpart L—Retrocession**

### **§ 137.245 What is retrocession?**

Retrocession means the return by a Self-Governance Tribe to the Secretary of PSFAs, that are included in a compact or funding agreement, for any reason, before the expiration of the term of the compact or funding agreement.

## 42 CFR Ch. I (10–1–03 Edition)

### **§ 137.246 How does a Self-Governance Tribe retrocede a PSFA?**

The Self-Governance Tribe submits a written notice to the Director of its intent to retrocede. The notice must specifically identify those PSFAs being retroceded. The notice may also include a proposed effective date of the retrocession.

### **§ 137.247 What is the effective date of a retrocession?**

Unless the request for retrocession is rescinded, the retrocession becomes effective within the timeframe specified by the parties in the compact or funding agreement. In the absence of a specification, the retrocession becomes effective on:

(a) The earlier of 1 year after:

(1) The date of submission of the request, or

(2) The date on which the funding agreement expires; or

(b) Whatever date is mutually agreed upon by the Secretary and the retroceding Self-Governance Tribe.

### **§ 137.248 What effect will a retrocession have on a retroceding Self-Governance Tribe's rights to contract or compact under the Act?**

A retrocession request shall not negatively affect:

(a) Any other contract or compact to which the retroceding Self-Governance Tribe is a party;

(b) Any other contracts or compacts the retroceding Self-Governance Tribe may request; and

(c) Any future request by such Self-Governance Tribe or an Indian Tribe to compact or contract for the same program.

### **§ 137.249 Will retrocession adversely affect funding available for the retroceded program?**

No, the Secretary shall provide no less than the same level of funding that would have been available if there had been no retrocession.

### **§ 137.250 How are funds distributed when a Self-Governance Tribe fully or partially retrocedes from its compact or funding agreement?**

Any funds not obligated by the Self-Governance Tribe and associated with the Self-Governance Tribe's returned

PSFAs, less close out costs, must be returned by the Self-Governance Tribe to IHS for operation of the PSFA's associated with the compact or funding agreement from which the Self-Governance Tribe retroceded in whole or in part.

**§ 137.251. What obligation does the retroceding Self-Governance Tribe have with respect to returning property that was provided by the Secretary under the compact or funding agreement and that was used in the operation of the retroceded program?**

On the effective date of any retrocession, the retroceding Self-Governance Tribe, shall, at the option of the Secretary, deliver to the Secretary all requested property and equipment provided by the Secretary under the compact or funding agreement, to the extent used to carry out the retroceded PSFAs, which at the time of retrocession has a per item current fair market value, less the cost of improvements borne by the Self-Governance Tribe in excess of \$5,000 at the time of the retrocession.

**Subpart M—Reassumption**

**§ 137.255 What does reassumption mean?**

Reassumption means rescission by the Secretary without consent of the Self-Governance Tribe of PSFAs and associated funding in a compact or funding agreement and resuming responsibility to provide such PSFAs.

**§ 137.256 Under what circumstances may the Secretary reassume a program, service, function, or activity (or portion thereof)?**

(a) Subject to the steps in § 137.257, the Secretary may reassume a program, service, function, or activity (or portion thereof) and associated funding if the Secretary makes a specific finding relative to that PSFA of:

(1) Imminent endangerment of the public health caused by an act or omission of the Self-Governance Tribe, and the imminent endangerment arises out of a failure to carry out the compact or funding agreement; or

(2) Gross mismanagement with respect to funds transferred to the Self-

Governance Tribe by a compact or funding agreement, as determined by the Secretary, in consultation with the Inspector General, as appropriate.

(b) Immediate reassumption may occur under additional requirements set forth in § 137.261.

**§ 137.257 What steps must the Secretary take prior to reassumption becoming effective?**

Except as provided in § 137.261 for immediate reassumption, prior to a reassumption becoming effective, the Secretary must:

(a) Notify the Self-Governance Tribe in writing by certified mail of the details of findings required under § 137.256(a)(1) and (2);

(b) Request specified corrective action within a reasonable period of time, which in no case may be less than 45 days;

(c) Offer and provide, if requested, the necessary technical assistance and advice to assist the Self-Governance Tribe to overcome the conditions that led to the findings described under (a); and

(d) Provide the Self-Governance Tribe with a hearing on the record as provided under Subpart P of this part.

**§ 137.258 Does the Self-Governance Tribe have a right to a hearing prior to a non-immediate reassumption becoming effective?**

Yes, at the Self-Governance Tribe's request, the Secretary must provide a hearing on the record prior to or in lieu of the corrective action period identified in § 137.257(b).

**§ 137.259 What happens if the Secretary determines that the Self-Governance Tribe has not corrected the conditions that the Secretary identified in the notice?**

(a) The Secretary shall provide a second written notice by certified mail to the Self-Governance Tribe served by the compact or funding agreement that the compact or funding agreement will be rescinded, in whole or in part.

(b) The second notice shall include:

(1) The intended effective date of the reassumption;

(2) The details and facts supporting the intended reassumption; and

## § 137.260

(3) Instructions that explain the Indian Tribe's right to a formal hearing within 30 days of receipt of the notice.

### **§ 137.260 What is the earliest date on which a reassumption can be effective?**

Except as provided in § 137.261, no PSFA may be reassumed by the Secretary until 30 days after the final resolution of the hearing and any subsequent appeals to provide the Self-Governance Tribe with an opportunity to take corrective action in response to any adverse final ruling.

### **§ 137.261 Does the Secretary have the authority to immediately reassume a PSFA?**

Yes, the Secretary may immediately reassume operation of a program, service, function, or activity (or portion thereof) and associated funding upon providing to the Self-Governance Tribe written notice in which the Secretary makes a finding:

(a) of imminent substantial and irreparable endangerment of the public health caused by an act or omission of the Indian Tribe; and

(b) the endangerment arises out of a failure to carry out the compact or funding agreement.

### **§ 137.262 If the Secretary reassumes a PSFA immediately, when must the Secretary provide the Self-Governance Tribe with a hearing?**

If the Secretary immediately reassumes a PSFA, the Secretary must provide the Self-Governance Tribe with a hearing under Subpart P of this part not later than 10 days after such reassumption, unless the Self-Governance Tribe and the Secretary agree to an extension.

### **§ 137.263 May the Secretary provide a grant to a Self-Governance Tribe for technical assistance to overcome conditions identified under § 137.257?**

Yes, the Secretary may make a grant for the purpose of obtaining technical assistance as provided in section 103 of the Act [25 U.S.C. 458aaa-h].

## 42 CFR Ch. I (10–1–03 Edition)

### **§ 137.264 To what extent may the Secretary require the Self-Governance Tribe to return property that was provided by the Secretary under the compact or funding agreement and used in the operation of the reassumed program?**

On the effective date of any reassumption, the Self-Governance Tribe, shall, at the option of the Secretary and only to the extent requested by the Secretary, deliver to the Secretary property and equipment provided by the Secretary under the compact or funding agreement, to the extent the property was used to directly carry out the reassumed program, service, function, or activity (or portion thereof), provided that at the time of reassumption the property has a per item current fair market value, less the cost of improvements borne by the Self-Governance Tribe, in excess of \$5,000 at the time of the reassumption.

### **§ 137.265 May a Tribe be reimbursed for actual and reasonable close out costs incurred after the effective date of reassumption?**

Yes, a Tribe may be reimbursed for actual and reasonable close out costs incurred after the effective date of reassumption.

## **Subpart N—Construction**

### **PURPOSE AND SCOPE**

### **§ 137.270 What is covered by this subpart?**

This subpart covers IHS construction projects carried out under section 509 of the Act [25 U.S.C. 458aaa-8].

### **§ 137.271 Why is there a separate subpart in these regulations for construction project agreements?**

Construction projects are separately defined in Title V and are subject to a separate proposal and review process. Provisions of a construction project agreement and this subpart shall be liberally construed in favor of the Self-Governance Tribe.

**§ 137.272 What other alternatives are available for Self-Governance Tribes to perform construction projects?**

Self-Governance Tribes also have the option of performing IHS construction projects under a variety of other legal authorities, including but not limited to Title I of the Act, the Indian Health Care Improvement Act, Public Law 94-437, and Public Law 86-121. This subpart does not cover projects constructed pursuant to agreements entered into under these authorities.

**§ 137.273 What are IHS construction PSFAs?**

IHS construction PSFAs are a combination of construction projects as defined in § 137.280 and construction programs.

**§ 137.274 Does this subpart cover construction programs?**

No, except as provided in § 137.275, this subpart does not cover construction programs such as the:

- (a) Maintenance and Improvement Program;
- (b) Construction program functions; and
- (c) Planning services and construction management services.

**§ 137.275 May Self-Governance Tribes include IHS construction programs in a construction project agreement or in a funding agreement?**

Yes, Self-Governance Tribes may choose to assume construction programs in a construction project agreement, in a funding agreement, or in a combination of the two. These programs may include the following:

- (a) Maintenance and improvement program;
- (b) Construction program functions; and
- (c) Planning services and construction management services.

**CONSTRUCTION DEFINITIONS**

**§ 137.280 Construction Definitions.**

ALJ means administrative law judge.  
APA means Administrative Procedures Act, 5 U.S.C. 701–706.

Budget means a statement of the funds required to complete the scope of work in a construction project agree-

ment. For cost reimbursement agreements, budgets may be stated using broad categories such as planning, design, construction, project administration, and contingency. For fixed price agreements, budgets may be stated as lump sums, unit cost pricing, or a combination thereof.

Categorical exclusion means a category of actions that do not individually or cumulatively have a significant effect on the human environment and that have been found to have no such effect in procedures adopted by a Federal agency in implementation of these regulations and for which, therefore, neither an environmental assessment nor an environmental impact statement is required. Any procedures under this section shall provide for extraordinary circumstances in which a normally excluded action may have a significant environmental effect.

CEQ means Council on Environmental Quality in the Office of the President.

Construction management services (CMS) means activities limited to administrative support services; coordination; and monitoring oversight of the planning, design, and construction process. CMS activities typically include:

- (1) Coordination and information exchange between the Self-Governance Tribe and the Federal Government;
- (2) Preparation of a Self-Governance Tribe's project agreement; and
- (3) A Self-Governance Tribe's subcontract scope of work identification and subcontract preparation, and competitive selection of construction contract subcontractors.

Construction phase is the phase of a construction project agreement during which the project is constructed, and includes labor, materials, equipment and services necessary to complete the work, in accordance with the construction project agreement.

Construction project means:

- (1) An organized noncontinuous undertaking to complete a specific set of predetermined objectives for the planning, environmental determination, design, construction, repair, improvement, or expansion of buildings or facilities described in a project agreement, and

(2) Does not include construction program administration and activities described in sections 4(m)(1) through (3) of the Act [25 U.S.C. 4b(m)(1) through (3)], that may otherwise be included in a funding agreement under section 505 of the Act [25 U.S.C. 458aaa–4].

Construction project agreement means a negotiated agreement between the Secretary and a Self-Governance Tribe, that at a minimum:

- (1) Establishes project phase start and completion dates;
- (2) Defines a specific scope of work and standards by which it will be accomplished;
- (3) Identifies the responsibilities of the Self-Governance Tribe and the Secretary;
- (4) Addresses environmental considerations;
- (5) Identifies the owner and operations and maintenance entity of the proposed work;
- (6) Provides a budget;
- (7) Provides a payment process; and
- (8) Establishes the duration of the agreement based on the time necessary to complete the specified scope of work, which may be 1 or more years.

Design phase is the phase of a construction project agreement during which project plans, specifications, and other documents are prepared that are used to build the project. Site investigation, final site selection activities and environmental review and determination activities are completed in this phase if not conducted as a part of the planning phase.

Maintenance and improvement program:

- (1) As used in this subpart means the program that provides funds for eligible facilities for the purpose of:
  - (i) Performing routine maintenance;
  - (ii) Achieving compliance with accreditation standards;
  - (iii) Improving and renovating facilities;
  - (iv) Ensuring that Indian health care facilities meet existing building codes and standards; and
  - (v) Ensuring compliance with public law building requirements.
- (2) The maintenance and improvement program is comprised of routine maintenance and repair funding and project funding. Typical maintenance

and improvement projects have historically been funded out of regional or national project pools and may include, but are not limited to, total replacement of a heating or cooling system, remodel of a medical laboratory, removal of lead based paint, abatement of asbestos and abatement of underground fuel storage tanks. Maintenance and repair program funding provided under a funding agreement is not covered under this subpart.

NEPA means the National Environmental Policy Act of 1969 [42 U.S.C. 4321 *et seq.*].

NHPA means the National Historic Preservation Act [16 U.S.C. 470 *et seq.*].

Planning phase is the phase of a construction project agreement during which planning services are provided.

Planning services may include performing a needs assessment, completing and/or verifying master plans, developing justification documents, conducting pre-design site investigations, developing budget cost estimates, conducting feasibility studies as needed, conducting environmental review activities and justifying the need for the project.

SHPO means State Historic Preservation Officer.

Scope of work or specific scope of work means a brief written description of the work to be accomplished under the construction project agreement, sufficient to confirm that the project is consistent with the purpose for which the Secretary has allocated funds.

THPO means Tribal Historic Preservation Officer.

#### NEPA PROCESS

#### **§ 137.285 Are Self-Governance Tribes required to accept Federal environmental responsibilities to enter into a construction project agreement?**

Yes, under section 509 of the Act [25 U.S.C. 458aaa–8], Self-Governance Tribes must assume all Federal responsibilities under the NEPA of 1969 [42 U.S.C. 4321 *et seq.*] and the National Historic Preservation Act [16 U.S.C. 470 *et seq.*] and related provisions of law that would apply if the Secretary were to undertake a construction project, but only those responsibilities directly related to the completion of the construction project being assumed.

**§ 137.286 Do Self-Governance Tribes become Federal agencies when they assume these Federal environmental responsibilities?**

No, while Self-Governance Tribes are required to assume Federal environmental responsibilities for projects in place of the Secretary, Self-Governance Tribes do not thereby become Federal agencies. However, because Self-Governance Tribes are assuming the responsibilities of the Secretary for the purposes of performing these Federal environmental responsibilities, Self-Governance Tribes will be considered the equivalent of Federal agencies for certain purposes as set forth in this subpart.

**§ 137.287 What is the National Environmental Policy Act (NEPA)?**

The NEPA is a procedural law that requires Federal agencies to follow established environmental review procedures, which include reviewing and documenting the environmental impact of their actions. NEPA establishes a comprehensive policy for protection and enhancement of the environment by the Federal Government; creates the Council on Environmental Quality in the Office of the President; and directs Federal agencies to carry out the policies and procedures of the Act. CEQ regulations (40 CFR 1500-1508) establish three levels of environmental review: categorical exclusions, environmental assessments, and environmental impact statements.

**§ 137.288 What is the National Historic Preservation Act (NHPA)?**

The NHPA requires Federal agencies to take into account the effects of their undertakings, such as construction projects, on properties covered by the NHPA, such as historic properties, properties eligible for listing on the National Register of Historic Places, or properties that an Indian Tribe regards as having religious and/or cultural importance. Section 106 of the NHPA [16 U.S.C. 470f] requires Federal agencies to afford the Advisory Council on Historic Preservation, acting through the SHPO or the THPO, a reasonable opportunity to comment on such undertakings.

**§ 137.289 What is a Federal undertaking under NHPA?**

The Advisory Council on Historic Preservation has defined a Federal undertaking in 36 CFR 800.16(y) as a project, activity, or program funded in whole or in part under the direct or indirect jurisdiction of a Federal agency, including those carried out by or on behalf of a Federal agency; those carried out with Federal financial assistance; those requiring a Federal permit, license or approval; and those subject to State or local regulation administered pursuant to a delegation or approval by a Federal agency.

**§ 137.290 What additional provisions of law are related to NEPA and NHPA?**

(a) Depending upon the nature and the location of the construction project, environmental laws related to NEPA and NHPA may include:

- (1) Archaeological and Historical Data Preservation Act [16 U.S.C. 469];
- (2) Archeological Resources Protection Act [16 U.S.C. 470aa];
- (3) Clean Air Act [42 U.S.C. 7401];
- (4) Clean Water Act [33 U.S.C. 1251];
- (5) Coastal Barrier Improvement Act [42 U.S.C. 4028 and 16 U.S.C. Sec. 3501];
- (6) Coastal Barrier Resources Act [16 U.S.C. 3501];
- (7) Coastal Zone Management Act [16 U.S.C. 1451];
- (8) Comprehensive Environmental Response, Compensation, and Liability Act [42 U.S.C. 9601];
- (9) Endangered Species Act [16 U.S.C. 1531 *et seq.*];
- (10) Farmland Protection Policy Act [7 U.S.C. 4201 *et seq.*];
- (11) Marine Protection, Research, and Sanctuaries Act [33 U.S.C. 1401-1445; 16 U.S.C. 1431-1447F; 33 U.S.C. 2801-2805];
- (12) National Historic Preservation Act [16 U.S.C. 470 *et seq.*];
- (13) National Trails System Act [16 U.S.C. 1241];
- (14) Native American Graves Protection and Repatriation Act [25 U.S.C. 3001];
- (15) Noise Control Act [42 U.S.C. 4901];
- (16) Resource Conservation and Recovery Act [42 U.S.C. 6901];
- (17) Safe Drinking Water Act [42 U.S.C. 300F];

## § 137.291

(18) Toxic Substance Control Act [15 U.S.C. 2601];

(19) Wild and Scenic Rivers Act [16 U.S.C. 1271]; and

(20) Wilderness Act [16 U.S.C. 1131].

(b) This section provides a list of environmental laws for informational purposes only and does not create any legal rights or remedies, or imply private rights of action.

### **§ 137.291 May Self-Governance Tribes carry out construction projects without assuming these Federal environmental responsibilities?**

Yes, but not under section 509 of the Act [25 U.S.C. 458aaa-8]. Self-Governance Tribes may otherwise elect to perform construction projects, or phases of construction projects, under other legal authorities (see § 137.272).

### **§ 137.292 How do Self-Governance Tribes assume environmental responsibilities for construction projects under section 509 of the Act [25 U.S.C. 458aaa-8]?**

Self-Governance Tribes assume environmental responsibilities by:

(a) Adopting a resolution or taking an equivalent Tribal action which:

(1) Designates a certifying officer to represent the Self-Governance Tribe and to assume the status of a responsible Federal official under NEPA, NHPA, and related provisions of law; and

(2) Accepts the jurisdiction of the Federal court, as provided in § 137.310 and § 137.311 for purposes of enforcement of the Federal environmental responsibilities assumed by the Self-Governance Tribe; and

(b) Entering into a construction project agreement under section 509 of the Act [25 U.S.C. 458aaa-8].

### **§ 137.293 Are Self-Governance Tribes required to adopt a separate resolution or take equivalent Tribal action to assume environmental responsibilities for each construction project agreement?**

No, the Self-Governance Tribe may adopt a single resolution or take equivalent Tribal action to assume environmental responsibilities for a single project, multiple projects, a class of projects, or all projects performed

## 42 CFR Ch. I (10-1-03 Edition)

under section 509 of the Act [25 U.S.C. 458aaa-8].

### **§ 137.294 What is the typical IHS environmental review process for construction projects?**

(a) Most IHS construction projects normally do not have a significant impact on the environment, and therefore do not require environmental impact statements (EIS). Under current IHS procedures, an environmental review is performed on all construction projects. During the IHS environmental review process, the following activities may occur:

(1) Consult with appropriate Tribal, Federal, state, and local officials and interested parties on potential environmental effects;

(2) Document assessment of potential environmental effects; (IHS has developed a form to facilitate this process.)

(3) Perform necessary environmental surveys and inventories;

(4) Consult with the Advisory Council on Historic Preservation, acting through the SHPO or THPO, to ensure compliance with the NHPA;

(5) Determine if extraordinary or exceptional circumstances exist that would prevent the project from meeting the criteria for categorical exclusion from further environmental review under NEPA, or if an environmental assessment is required;

(6) Obtain environmental permits and approvals; and

(7) Identify methods to avoid or mitigate potential adverse effects;

(b) This section is for informational purposes only and does not create any legal rights or remedies, or imply private rights of action.

### **§ 137.295 May Self-Governance Tribes elect to develop their own environmental review process?**

Yes, Self-Governance Tribes may develop their own environmental review process or adopt the procedures of the IHS or the procedures of another Federal agency.

### **§ 137.296 How does a Self-Governance Tribe comply with NEPA and NHPA?**

Self-Governance Tribes comply with NEPA and the NHPA by adopting and following:

- (a) their own environmental review procedures;
- (b) the procedures of the IHS; and/or
- (c) the procedures of another Federal agency.

**§ 137.297 If the environmental review procedures of a Federal agency are adopted by a Self-Governance Tribe, is the Self-Governance Tribe responsible for ensuring the agency's policies and procedures meet the requirements of NEPA, NHPA, and related environmental laws?**

No, the Federal agency is responsible for ensuring its own policies and procedures meet the requirements of NEPA, NHPA, and related environmental laws, not the Self-Governance Tribe.

**§ 137.298 Are Self-Governance Tribes required to comply with Executive Orders to fulfill their environmental responsibilities under section 509 of the Act [25 U.S.C. 458aaa-8]?**

No, but Self-Governance Tribes may at their option, choose to voluntarily comply with Executive Orders. For facilities where ownership will vest with the Federal Government upon completion of the construction, Tribes and the Secretary may agree to include the goals and objectives of Executive Orders in the codes and standards of the construction project agreement.

**§ 137.299 Are Federal funds available to cover the cost of Self-Governance Tribes carrying out environmental responsibilities?**

Yes, funds are available:

- (a) for project-specific environmental costs through the construction project agreement; and
- (b) for environmental review program costs through a funding agreement and/or a construction project agreement.

**§ 137.300 Since Federal environmental responsibilities are new responsibilities, which may be assumed by Tribes under section 509 of the Act [25 U.S.C. 458aaa-8], are there additional funds available to Self-Governance Tribes to carry out these formerly inherently Federal responsibilities?**

Yes, the Secretary must transfer not less than the amount of funds that the Secretary would have otherwise used

to carry out the Federal environmental responsibilities assumed by the Self-Governance Tribe.

**§ 137.301 How are project and program environmental review costs identified?**

(a) The Self-Governance Tribe and the Secretary should work together during the initial stages of project development to identify program and project related costs associated with carrying out environmental responsibilities for proposed projects. The goal in this process is to identify the costs associated with all foreseeable environmental review activities.

(b) If unforeseen environmental review and compliance costs are identified during the performance of the construction project, the Self-Governance Tribe or, at the request of the Self-Governance Tribe, the Self-Governance Tribe and the Secretary (with or without amendment as required by § 137.363) may do one or more of the following:

- (1) Mitigate adverse environmental effects;
- (2) Alter the project scope of work; and/or
- (3) Add additional program and/or project funding, including seeking supplemental appropriations.

**§ 137.302 Are Federal funds available to cover start-up costs associated with initial Tribal assumption of environmental responsibilities?**

(a) Yes, start-up costs are available as provided in section 508(c) of the Act [25 U.S.C. 458aaa-7(c)]. During the initial year that these responsibilities are assumed, the amount required to be paid under section 106(a)(2) of the Act [25 U.S.C. 450j-1(a)(2)] must include startup costs consisting of the reasonable costs that have been incurred or will be incurred on a one-time basis pursuant to the agreement necessary:

- (1) To plan, prepare for, and assume operation of the environmental responsibilities; and
- (2) To ensure compliance with the terms of the agreement and prudent management.

(b) Costs incurred before the initial year that the agreement is in effect may not be included in the amount required to be paid under section 106(a)(2) of the Act [25 U.S.C. 450j-1(a)(2)] if the

### § 137.303

Secretary does not receive a written notification of the nature and extent of the costs prior to the date on which such costs are incurred.

#### **§ 137.303 Are Federal or other funds available for training associated with Tribal assumption of environmental responsibilities?**

Yes, Self-Governance Tribes may use construction program and project funds for training and program development. Training and program development funds may also be available from other Federal agencies, such as the Environmental Protection Agency and the National Park Service, state and local governments, and private organizations.

#### **§ 137.304 May Self-Governance Tribes buy back environmental services from the IHS?**

Yes, Self-Governance Tribes may “buy back” project related services in their construction project agreement, including design and construction engineering, and environmental compliance services from the IHS in accordance with Section 508(f) of the Act [25 U.S.C. 458aaa-7(f)] and § 137.95, subject to the availability of the IHS's capacity to conduct the work.

#### **§ 137.305 May Self-Governance Tribes act as lead, cooperating, or joint lead agencies for environmental review purposes?**

Yes, Self-Governance Tribes assuming Federal environmental responsibilities for construction projects under section 509 of the Act [25 U.S.C. 458aaa-8] are entitled to receive equal consideration, on the same basis as any Federal agency, for lead, cooperating, and joint lead agency status. For informational purposes, the terms “lead,” “cooperating,” and “joint lead agency” are defined in the CEQ regulations at 40 CFR 1508.16, 1508.5, and 1501.5 respectively.

#### **§ 137.306 How are Self-Governance Tribes recognized as having lead, cooperating, or joint lead agency status?**

Self-Governance Tribes may be recognized as having lead, cooperating, or joint lead agency status through funding or other agreements with other

### 42 CFR Ch. I (10–1–03 Edition)

agencies. To the extent that resources are available, the Secretary will encourage and facilitate Federal, state, and local agencies to enter into agreements designating Tribes as lead, co-operating, or joint lead agencies for environmental review purposes.

#### **§ 137.307 What Federal environmental responsibilities remain with the Secretary when a Self-Governance Tribe assumes Federal environmental responsibilities for construction projects under section 509 of the Act [25 U.S.C. 458aaa-8]?**

(a) All environmental responsibilities for Federal actions not directly related to construction projects assumed by Tribes under section 509 of the Act [25 U.S.C. 458aaa-8] remain with the Secretary. Federal agencies, including the IHS, retain responsibility for ensuring their environmental review procedures meet the requirements of NEPA, NHPA and related provisions of law, as called for in § 137.297.

(b) The Secretary will provide information updating and changing IHS agency environmental review policy and procedures to all Self-Governance Tribes implementing a construction project agreement, and to other Indian Tribes upon request. If a Self-Governance Tribe participating under section 509 of the Act [25 U.S.C. 458aaa-8] does not wish to receive this information, it must notify the Secretary in writing. As resources permit, at the request of the Self-Governance Tribe, the Secretary will provide technical assistance to the Self-governance tribe to assist the Self-governance Tribe in carrying out Federal environmental responsibilities.

#### **§ 137.308 Does the Secretary have any enforcement authority for Federal environmental responsibilities assumed by Tribes under section 509 of the Act [25 U.S.C. 458aaa-8]?**

No, the Secretary does not have any enforcement authority for Federal environmental responsibilities assumed by Tribes under section 509 of the Act [25 U.S.C. 458aaa-8].

#### **§ 137.309 How are NEPA and NHPA obligations typically enforced?**

NEPA and NHPA obligations are typically enforced by interested parties

who may file lawsuits against Federal agencies alleging that the agencies have not complied with their legal obligations under NEPA and NHPA. These lawsuits may only be filed in Federal court under the provisions of the APA, 5 U.S.C. 701-706. Under the APA, a Federal judge reviews the Federal agency's actions based upon an administrative record prepared by the Federal agency. The judge gives appropriate deference to the agency's decisions and does not substitute the court's views for those of the agency. Jury trials and civil discovery are not permitted in APA proceedings. If a Federal agency has failed to comply with NEPA or NHPA, the judge may grant declaratory or injunctive relief to the interested party. No money damages or fines are permitted in APA proceedings.

**§ 137.310 Are Self-Governance Tribes required to grant a limited waiver of their sovereign immunity to assume Federal environmental responsibilities under section 509 of the Act [25 U.S.C. 458aaa-8]?**

Yes, but only as provided in this section. Unless Self-Governance Tribes consent to the jurisdiction of a court, Self-Governance Tribes are immune from civil lawsuits. Self-Governance Tribes electing to assume Federal environmental responsibilities under section 509 of the Act [25 U.S.C. 458aaa-8] must provide a limited waiver of sovereign immunity solely for the purpose of enforcing a Tribal certifying officer's environmental responsibilities, as set forth in this subpart. Self-Governance Tribes are not required to waive any other immunity.

**§ 137.311 Are Self-Governance Tribes entitled to determine the nature and scope of the limited immunity waiver required under section 509(a)(2) of the Act [25 U.S.C. 458aaa-8(a)(2)]?**

(a) Yes, Section 509(a)(2) of the Act [25 U.S.C. 458aaa-8(a)(2)] only requires that the waiver permit a civil enforcement action to be brought against the Tribal certifying officer in his or her official capacity in Federal district court for declaratory and injunctive relief in a procedure that is substantially equivalent to an APA enforcement ac-

tion against a Federal agency. Self-Governance Tribes are not required to subject themselves to suit in their own name, to submit to trial by jury or civil discovery, or to waive immunity for money damages, attorneys fees, or fines.

(b) Self-Governance Tribes may base the grant of a limited waiver under this subpart on the understanding that:

(1) Judicial review of the Tribal certifying official's actions are based upon the administrative record prepared by the Tribal official in the course of performing the Federal environmental responsibilities; and

(2) Actions and decisions of the Tribal certifying officer will be granted deference on a similar basis as Federal officials performing similar functions.

**§ 137.312 Who is the proper defendant in a civil enforcement action under section 509(a)(2) of the Act [25 U.S.C. 458aaa-8(a)(2)]?**

Only the designated Tribal certifying officer acting in his or her official capacity may be sued. Self-Governance Tribes and other Tribal officials are not proper defendants in lawsuits brought under section 509(a)(2) of the Act [25 U.S.C. 458aaa-8(a)(2)].

NOTIFICATION (PRIORITIZATION PROCESS, PLANNING, DEVELOPMENT AND CONSTRUCTION)

**§ 137.320 Is the Secretary required to consult with affected Indian Tribes concerning construction projects and programs?**

Yes, before developing a new project resource allocation methodology and application process the Secretary must consult with all Indian Tribes. In addition, before spending any funds for planning, design, construction, or renovation projects, whether subject to a competitive application and ranking process or not, the Secretary must consult with any Indian Tribe that would be significantly affected by the expenditure to determine and honor Tribal preferences whenever practicable concerning the size, location, type, and other characteristics of the project.

## § 137.321

### **§ 137.321 How do Indian Tribes and the Secretary identify and request funds for needed construction projects?**

In addition to the requirements contained in section 513 of the Act [25 U.S.C. 458aaa-12], Indian Tribes and the Secretary are encouraged to jointly identify health facility and sanitation needs at the earliest possible date for IHS budget formulation. In developing budget justifications for specific projects to be proposed to Congress, the Secretary shall follow the preferences of the affected Indian Tribe(s) to the greatest extent feasible concerning the size, location, type, and other characteristics of the project.

### **§ 137.322 Is the Secretary required to notify an Indian Tribe that funds are available for a construction project or a phase of a project?**

(a) Yes, within 30 days after the Secretary's allocation of funds for planning phase, design phase, or construction phase activities for a specific project, the Secretary shall notify, by registered mail with return receipt in order to document mailing, the Indian Tribe(s) to be benefitted by the availability of the funds for each phase of a project. The Secretarial notice of fund allocation shall offer technical assistance in the preparation of a construction project proposal.

(b) The Secretary shall, within 30 days after receiving a request from an Indian Tribe, furnish the Indian Tribe with all information available to the Secretary about the project including, but not limited to: construction drawings, maps, engineering reports, design reports, plans of requirements, cost estimates, environmental assessments, or environmental impact reports and archeological reports.

(c) An Indian Tribe is not required to request this information prior to either submitting a notification of intent or a construction project proposal.

(d) The Secretary shall have a continuing responsibility to furnish information to the Indian Tribes.

## 42 CFR Ch. I (10-1-03 Edition)

### PROJECT ASSUMPTION PROCESS

### **§ 137.325 What does a Self-Governance Tribe do if it wants to perform a construction project under section 509 of the Act [25 U.S.C. 458aaa-8]?**

(a) A Self-Governance Tribe may start the process of developing a construction project agreement by:

(1) Notifying the Secretary in writing that the Self-Governance Tribe wishes to enter into a pre-agreement negotiation phase as set forth in section 105(m)(3) of the Act [25 U.S.C. 450j(m)(3)]; or

(2) Submitting a proposed construction project agreement. This proposed agreement may be the final proposal, or it may be a draft for consideration and negotiation, or

(3) A combination of the actions described in paragraphs (a)(1) and (2) of this section.

(b) Upon receiving a Self-Governance Tribe's request to enter into a pre-negotiation phase the Secretary shall take the steps outlined in section 105(m)(3) of the Act [25 U.S.C. 450j(m)(3)].

### **§ 137.326 What must a Tribal proposal for a construction project agreement contain?**

A construction project proposal must contain all of the required elements of a construction project agreement as defined in § 137.280. In addition to these minimum requirements, Self-Governance Tribes may propose additional items.

### **§ 137.327 May multiple projects be included in a single construction project agreement?**

Yes, a Self-Governance Tribe may include multiple projects in a single construction project agreement proposal or may add additional approved projects by amendment(s) to an existing construction project agreement.

### **§ 137.328 Must a construction project proposal incorporate provisions of Federal construction guidelines and manuals?**

(a) No, the Self-Governance Tribe and the Secretary must agree upon and

specify appropriate building codes and architectural and engineering standards (including health and safety) which must be in conformity with nationally recognized standards for comparable projects.

(b) The Secretary may provide, or the Self-Governance Tribe may request, Federal construction guidelines and manuals for consideration by the Self-Governance Tribe in the preparation of its construction project proposal. If Tribal construction codes and standards (including national, regional, State, or Tribal building codes or construction industry standards) are consistent with or exceed otherwise applicable nationally recognized standards, the Secretary must accept the Tribally proposed standards.

**§ 137.329 What environmental considerations must be included in the construction project agreement?**

The construction project agreement must include:

- (a) Identification of the Tribal certifying officer for environmental review purposes,
- (b) Reference to the Tribal resolution or equivalent Tribal action appointing the Tribal certifying officer and accepting the jurisdiction of the Federal court for enforcement purposes as provided in §§ 137.310 and 137.311.
- (c) Identification of the environmental review procedures adopted by the Self-Governance Tribe, and
- (d) An assurance that no action will be taken on the construction phase of the project that would have an adverse environmental impact or limit the choice of reasonable alternatives prior to making an environmental determination in accordance with the Self-Governance Tribe's adopted procedures.

**§ 137.330 What happens if the Self-Governance Tribe and the Secretary cannot develop a mutually agreeable construction project agreement?**

The Self-Governance Tribe may submit a final construction project proposal to the Secretary. No later than 30 days after the Secretary receives the final construction project proposal, or within a longer time agreed to by the Self-Governance Tribe in writing, the

Secretary shall review and make a determination to approve or reject the construction project proposal in whole or in part.

**§ 137.331 May the Secretary reject a final construction project proposal based on a determination of Tribal capacity or capability?**

No, the Secretary may not reject a final construction project proposal based on a determination of Tribal capacity or capability.

**§ 137.332 On what basis may the Secretary reject a final construction project proposal?**

(a) The only basis for rejection of project activities in a final construction project proposal are:

(1) The amount of funds proposed in the final construction project proposal exceeds the applicable funding level for the construction project as determined under sections 508(c) [25 U.S.C. 458aaa-7(c)] and 106 of the Act [25 U.S.C. 450j-1].

(2) The final construction project proposal does not meet the minimum content requirements for construction project agreements set forth in section 501(a)(2) of the Act [25 U.S.C. 458aaa(a)(2)]; and

(3) The final construction project proposal on its face clearly demonstrates that the construction project cannot be completed as proposed.

(b) For construction programs proposed to be included in a construction project agreement, the Secretary may also reject that portion of the proposal that proposes to assume an inherently Federal function that cannot legally be delegated to the Self-Governance Tribe.

**§ 137.333 What procedures must the Secretary follow if the Secretary rejects a final construction project proposal, in whole or in part?**

Whenever the Secretary rejects a final construction project proposal in whole or in part, the Secretary must:

- (a) Send the Self-Governance Tribe a timely written notice of rejection that shall set forth specific finding(s) that clearly demonstrates, or that is supported by controlling legal authority supporting the rejection;

**§ 137.334**

(b) Within 20 days, provide all documents relied on in making the rejection decision to the Self-Governance Tribe;

(c) Provide assistance to the Self-Governance Tribe to overcome any objections stated in the written notice of rejection;

(d) Provide the Self-Governance Tribe with a hearing on the record with the right to engage in full discovery relevant to any issue raised in the matter and the opportunity for appeal of the decision to reject the final construction contract proposal, under the regulations set forth in subpart P of this part, except that the Self-Governance Tribe may, in lieu of filing an appeal, initiate an action in Federal district court and proceed directly under sections 511 [25 U.S.C. 458aaa-10] and 110(a) of the Act [25 U.S.C. 450m-1(a)]. With respect to any hearing or appeal or civil action conducted pursuant to this section, the Secretary shall have the burden of demonstrating by clear and convincing evidence the validity of the grounds for rejecting the final construction project proposal (or portion thereof); and

(e) Provide the Self-Governance Tribe with the option of entering into the severable portions of a final proposed construction project agreement (including a lesser funding amount) that the Secretary did not reject, subject to any additional alterations necessary to conform the construction project agreement to the severed provisions. Exercising this option does not affect the Self-Governance Tribe's right to appeal the portion of the final construction project proposal that was rejected by the Secretary.

**§ 137.334 What happens if the Secretary fails to notify the Self-Governance Tribe of a decision to approve or reject a final construction project proposal within the time period allowed?**

If the Secretary fails to notify the Self-Governance Tribe of the decision to approve or reject within 30 days (or a longer period if agreed to by the Self-Governance Tribe in writing), then the proposal will be deemed approved by the Secretary.

**42 CFR Ch. I (10-1-03 Edition)**

**§ 137.335 What costs may be included in the budget for a construction agreement?**

(a) A Self-Governance Tribe may include costs allowed by applicable OMB Circulars, and costs allowed under sections 508(c) [25 U.S.C. 458aaa-7(c)], 106 [25 U.S.C. 450j-1] and 105 (m) of the Act [25 U.S.C. 450j(m)]. The costs incurred will vary depending on which phase of the construction process the Self-Governance Tribe is conducting and type of construction project agreement that will be used.

(b) Regardless of whether a construction project agreement is fixed price or cost-reimbursement, budgets may include costs or fees associated with the following:

(1) Construction project proposal preparation;

(2) Conducting community meetings to develop project documents;

(3) Architects, engineers, and other consultants to prepare project planning documents, to develop project plans and specifications, and to assist in oversight of the design during construction;

(4) Real property lease or acquisition;

(5) Development of project surveys including topographical surveys, site boundary descriptions, geotechnical surveys, archeological surveys, and NEPA compliance;

(6) Project management, superintendence, safety and inspection;

(7) Travel, including local travel incurred as a direct result of conducting the construction project agreement and remote travel in conjunction with the project;

(8) Consultants, such as demographic consultants, planning consultants, attorneys, accountants, and personnel who provide services, to include construction management services;

(9) Project site development;

(10) Project construction cost;

(11) General, administrative overhead, and indirect costs;

(12) Securing and installing moveable equipment, telecommunications and data processing equipment, furnishings, including works of art, and special purpose equipment when part of a construction contract;

(13) Other costs directly related to performing the construction project agreement;

(14) Project Contingency:

(i) A cost-reimbursement project agreement budgets contingency as a broad category. Project contingency remaining at the end of the project is considered savings.

(ii) Fixed-price agreements budget project contingency in the lump sum price or unit price.

(c) In the case of a fixed-price project agreement, a reasonable profit determined by taking into consideration the relevant risks and local market conditions.

**§ 137.336 What is the difference between fixed-price and cost-reimbursement agreements?**

(a) Cost-reimbursement agreements generally have one or more of the following characteristics:

(1) Risk is shared between IHS and the Self-Governance Tribe;

(2) Self-Governance Tribes are not required to perform beyond the amount of funds provided under the agreement;

(3) Self-Governance Tribes establish budgets based upon the actual costs of the project and are not allowed to include profit;

(4) Budgets are stated using broad categories, such as planning, design, construction project administration, and contingency;

(5) The agreement funding amount is stated as a "not to exceed" amount;

(6) Self-Governance Tribes provide notice to the IHS if they expect to exceed the amount of the agreement and require more funds;

(7) Excess funds remaining at the end of the project are considered savings; and

(8) Actual costs are subject to applicable OMB circulars and cost principles.

(b) Fixed Price agreements generally have one or more of the following characteristics:

(1) Self-Governance Tribes assume the risk for performance;

(2) Self-Governance Tribes are entitled to make a reasonable profit;

(3) Budgets may be stated as lump sums, unit cost pricing, or a combination thereof;

(4) For unit cost pricing, savings may occur if actual quantity is less than estimated; and,

(5) Excess funds remaining at the end of a lump sum fixed price project are considered profit, unless, at the option of the Self-Governance Tribe, such amounts are reclassified in whole or in part as savings.

**§ 137.337 What funding must the Secretary provide in a construction project agreement?**

The Secretary must provide funding for a construction project agreement in accordance with sections 106 [25 U.S.C. 450j-1] and 508(c) of the Act [25 U.S.C. 458aaa-7(c)].

**§ 137.338 Must funds from other sources be incorporated into a construction project agreement?**

Yes, at the request of the Self-Governance Tribe, the Secretary must include funds from other agencies as permitted by law, whether on an ongoing or a one-time basis.

**§ 137.339 May a Self-Governance Tribe use project funds for matching or cost participation requirements under other Federal and non-Federal programs?**

Yes, notwithstanding any other provision of law, all funds provided under a construction project agreement may be treated as non-Federal funds for purposes of meeting matching or cost participation requirements under any other Federal or non-Federal program.

**§ 137.340 May a Self-Governance Tribe contribute funding to a project?**

Yes, the Self-Governance Tribe and the Secretary may jointly fund projects. The construction project agreement should identify the Secretarial amount and any Tribal contribution amount that is being incorporated into the construction project agreement. The Self-Governance Tribe does not have to deposit its contribution with the Secretary.

**§ 137.341 How will a Self-Governance Tribe receive payment under a construction project agreement?**

(a) For all construction project agreements, advance payments shall be made annually or semiannually, at the

## § 137.342

Self-Governance Tribe's option. The initial payment shall include all contingency funding for the project or phase of the project to the extent that there are funds appropriated for that purpose.

(b) The amount of subsequent payments is based on the mutually agreeable project schedule reflecting:

(1) Work to be accomplished within the advance payment period,

(2) Work already accomplished, and

(3) Total prior payments for each annual or semiannual advance payment period.

(c) For lump sum, fixed price agreements, at the request of the Self-Governance Tribe, payments shall be based on an advance payment period measured as follows:

(1) One year; or

(2) Project Phase(e.g., planning, , design, construction.) If project phase is chosen as the payment period, the full amount of funds necessary to perform the work for that phase of the construction project agreement is payable in the initial advance payment. For multi-phase projects, the planning and design phases must be completed prior to the transfer of funds for the associated construction phase. The completion of the planning and design phases will include at least one opportunity for Secretarial approval in accordance with § 137.360.

(d) For the purposes of payment, Sanitation Facilities Construction Projects authorized pursuant to Pub. L. 86-121, are considered to be a single construction phase and are payable in a single lump sum advance payment in accordance with paragraph (c)(2) of this section.

(e) For all other construction project agreements, the amount of advance payments shall include the funds necessary to perform the work identified in the advance payment period of one year.

(f) Any agreement to advance funds under paragraphs (b), (c) or (d) of this section is subject to the availability of appropriations.

(g) (1) Initial advance payments are due within 10 days of the effective date of the construction project agreement; and

## 42 CFR Ch. I (10-1-03 Edition)

(2) subsequent payments are due:

(i) Within 10 days of apportionment for annual payments or

(ii) Within 10 days of the start date of the project phase for phase payments.

### **§ 137.342 What happens to funds remaining at the conclusion of a cost reimbursement construction project?**

All funds, including contingency funds, remaining at the conclusion of the project are considered savings and may be used by the Self-Governance Tribe to provide additional services for the purpose for which the funds were originally appropriated. No further approval or justifying documentation is required before the expenditure of the remaining funds.

### **§ 137.343 What happens to funds remaining at the conclusion of a fixed price construction project?**

(a) For lump sum fixed price construction project agreements, all funds remaining at the conclusion of the project are considered profits and belong to the Self-Governance Tribe.

(b) For fixed price construction project agreements with unit price components, all funds remaining that are associated with overestimated unit price quantities are savings and may be used by the Self-Governance Tribe in accordance with section 137.342. All other funds remaining at the conclusion of the project are considered profit and belong to the Self-Governance Tribe.

(c) At the option of the Self-Governance Tribe, funds otherwise identified in paragraphs (a) and (b) as "profit" may be reclassified, in whole or in part, as savings and to that extent may be used by the Self-Governance Tribe in accordance with section 137.142.

### **§ 137.344 May a Self-Governance Tribe reallocate funds among construction project agreements?**

Yes, a Self-Governance Tribe may reallocate funds among construction project agreements to the extent not prohibited by applicable appropriation law(s).

ROLES OF SELF-GOVERNANCE TRIBE IN  
ESTABLISHING AND IMPLEMENTING  
CONSTRUCTION PROJECT AGREEMENTS

**§ 137.350 Is a Self-Governance Tribe responsible for completing a construction project in accordance with the negotiated construction project agreement?**

Yes, a Self-Governance Tribe assumes responsibility for completing a construction project, including day-to-day on-site management and administration of the project, in accordance with the negotiated construction project agreement. However, Self-Governance Tribes are not required to perform beyond the amount of funds provided. For example, a Self-Governance Tribe may encounter unforeseen circumstances during the term of a construction project agreement. If this occurs, options available to the Self-Governance Tribe include, but are not limited to:

- (a) Reallocating existing funding;
- (b) Reducing/revising the scope of work that does not require an amendment because it does not result in a significant change;
- (c) Utilizing savings from other projects;
- (d) Requesting additional funds or appropriations;
- (e) Utilizing interest earnings;
- (f) Seeking funds from other sources; and/or
- (g) Redesigning or re-scoping that does result in a significant change by amendment as provided in §§ 137.363 and 137.364.

**§ 137.351 Is a Self-Governance Tribe required to submit construction project progress and financial reports for construction project agreements?**

Yes, a Self-Governance Tribe must provide the Secretary with construction project progress and financial reports semiannually or, at the option of the Self-Governance Tribe, on a more frequent basis. Self-Governance Tribes are only required to submit the reports, as negotiated in the Construction Project Agreement, after funds have been transferred to the Self-Governance Tribe for a construction project. Construction project progress reports and financial reports are only

required for active construction projects.

**§ 137.352 What is contained in a construction project progress report?**

Construction project progress reports contain information about accomplishments during the reporting period and issues and concerns of the Self-Governance Tribe, if any.

**§ 137.353 What is contained in a construction project financial report?**

Construction project financial reports contain information regarding the amount of funds expended during the reporting period, and financial concerns of the Self-Governance Tribe, if any.

ROLES OF THE SECRETARY IN ESTABLISHING AND IMPLEMENTING CONSTRUCTION PROJECT AGREEMENTS

**§ 137.360 Does the Secretary approve project planning and design documents prepared by the Self-Governance Tribe?**

The Secretary shall have at least one opportunity to approve project planning and design documents prepared by the Self-Governance Tribe in advance of construction if the Self-Governance Tribe is required to submit planning or design documents as a part of the scope of work under a construction project agreement.

**§ 137.361 Does the Secretary have any other opportunities to approve planning or design documents prepared by the Self-Governance Tribe?**

Yes, but only if there is an amendment to the construction project agreement that results in a significant change in the original scope of work.

**§ 137.362 May construction project agreements be amended?**

Yes, the Self-Governance Tribe, at its discretion, may request the Secretary to amend a construction project agreement to include additional projects. In addition, amendments are required if there is a significant change from the original scope of work or if funds are added by the Secretary. The Self-Governance Tribe may make immaterial changes to the performance period and

### § 137.363

make budget adjustments within available funding without an amendment to the construction project agreement.

#### **§ 137.363 What is the procedure for the Secretary's review and approval of amendments?**

(a) The Secretary shall promptly notify the Self-Governance Tribe in writing of any concerns or issues that may lead to disapproval. The Secretary shall share relevant information and documents, and make a good faith effort to resolve all issues and concerns of the Self-Governance Tribe. If, after consultation with the Self-Governance Tribe, the Secretary intends to disapprove the proposed amendment, then the Secretary shall follow the procedures set forth in §137.330 through 137.334.

(b) The time allowed for Secretarial review, comment, and approval of amendments is 30 days, or within a longer time if agreed to by the Self-Governance Tribe in writing. Absence of a written response by the Secretary within 30 days shall be deemed approved.

(c) The timeframe set forth in paragraph (b) of this section is intended to be the maximum time and may be reduced based on urgency and need, by agreement of the parties. If the Self-Governance Tribe requests reduced timeframes for action due to unusual or special conditions (such as limited construction periods), the Secretary shall make a good faith effort to accommodate the requested timeframes.

#### **§ 137.364 What constitutes a significant change in the original scope of work?**

A significant change in the original scope of work is:

(a) A change that would result in a cost that exceeds the total of the project funds available and the Self-Governance Tribe's contingency funds; or

(b) A material departure from the original scope of work, including substantial departure from timelines negotiated in the construction project agreement.

### 42 CFR Ch. I (10–1–03 Edition)

#### **§ 137.365 What is the procedure for the Secretary's review and approval of project planning and design documents submitted by the Self-Governance Tribe?**

(a) The Secretary shall review and approve planning documents to ensure compliance with planning standards identified in the construction project agreement. The Secretary shall review and approve design documents for general compliance with requirements of the construction project agreement.

(b) The Secretary shall promptly notify the Self-Governance Tribe in writing of any concerns or issues that may lead to disapproval. The Secretary shall share relevant information and documents, and make a good faith effort to resolve all issues and concerns of the Self-Governance Tribe. If, after consultation with the Self-Governance Tribe, the Secretary intends to disapprove the documents, then the Secretary shall follow the procedures set forth in §137.333.

(c) The time allowed for Secretarial review, comment, and approval of planning and design documents is 21 days, unless otherwise agreed to by the Self-Governance Tribe in writing. Absence of a written response by the Secretary within 21 days shall be deemed approved.

#### **§ 137.366 May the Secretary conduct onsite project oversight visits?**

Yes, the Secretary may conduct onsite project oversight visits semiannually or on an alternate schedule negotiated in the construction project agreement. The Secretary must provide the Self-Governance Tribe with reasonable advance written notice to assist the Self-Governance Tribe in coordinating the visit. The purpose of the visit is review the progress under the construction project agreement. At the request of the Self-Governance Tribe, the Secretary must provide the Self-Governance Tribe a written site visit report.

#### **§ 137.367 May the Secretary issue a stop work order under a construction project agreement?**

No, the Secretary has no role in the day-to-day management of a construction project.

**§ 137.368 Is the Secretary responsible for oversight and compliance of health and safety codes during construction projects being performed by a Self-Governance Tribe under section 509 of the Act [25 U.S.C. 488aaa-8]?**

No, the Secretary is not responsible for oversight and compliance of health and safety codes during construction projects being performed by a Self-Governance Tribe under section 509 of the Act [25 U.S.C. 488aaa-8].

OTHER

**§ 137.370 Do all provisions of this part apply to construction project agreements under this subpart?**

Yes, to the extent the provisions are not inconsistent with the provisions in this subpart. Provisions that do not apply include: programmatic reports and data requirements; reassumption; compact and funding agreement review, approval, and final offer process; and compact and funding agreement contents.

**§ 137.371 Who takes title to real property purchased with funds provided under a construction project agreement?**

The Self-Governance Tribe takes title to the real property unless the Self-Governance Tribe requests that the Secretary take title to the property.

**§ 137.372 Does the Secretary have a role in the fee-to-trust process when real property is purchased with construction project agreement funds?**

No, the Secretary does not have a role in the fee-to-trust process except to provide technical assistance if requested by the Self-Governance Tribe.

**§ 137.373 Do Federal real property laws, regulations and procedures that apply to the Secretary also apply to Self-Governance Tribes that purchase real property with funds provided under a construction project agreement?**

No, unless the Self-Governance Tribe has requested the Secretary to take fee title to the property.

**§ 137.374 Does the Secretary have a role in reviewing or monitoring a Self-Governance Tribe's actions in acquiring or leasing real property with funds provided under a construction project agreement?**

No, unless the Self-Governance Tribe has requested the Secretary take fee title to the property. The Self-Governance Tribe is responsible for acquiring all real property needed to perform a construction project under a construction project agreement, not the Secretary. The Secretary shall not withhold funds or refuse to enter into a construction project agreement because of a disagreement between the Self-Governance Tribe and the Secretary over the Self-Governance Tribe's decisions to purchase or lease real property.

**§ 137.375 Are Tribally-owned facilities constructed under section 509 of the Act [25 U.S.C. 458aaa-8] eligible for replacement, maintenance, and improvement funds on the same basis as if title to such property were vested in the United States?**

Yes, Tribally-owned facilities constructed under section 509 of the Act [25 U.S.C. 458aaa-8] are eligible for replacement, maintenance, and improvement funds on the same basis as if title to such property were vested in the United States.

**§ 137.376 Are design and construction projects performed by Self-Governance Tribes under section 509 of the Act [25 U.S.C. 458aaa-8] subject to Federal metric requirements?**

No, however, the Self-Governance Tribe and the Secretary may negotiate the use of Federal metric requirements in the construction project agreement when the Self-Governance Tribe will design and/or construct an IHS facility that the Secretary will own and operate.

**§ 137.377 Do Federal procurement laws and regulations apply to construction project agreements performed under section 509 of the Act [25 U.S.C. 458aaa-8]?**

No, unless otherwise agreed to by the Tribe, no provision of the Office of Federal Procurement Policy Act, the Federal Acquisition Regulations issued pursuant thereto, or any other law or

## § 137.378

regulation pertaining to Federal procurement (including Executive Orders) shall apply to any construction project conducted under section 509 of the Act [25 U.S.C. 458aaa-8]. The Secretary and the Self-Governance Tribe may negotiate to apply specific provisions of the Office of Federal Procurement and Policy Act and Federal Acquisition Regulations to a construction project agreement or funding agreement. Absent a negotiated agreement, such provisions and regulatory requirements do not apply.

### **§ 137.378 Do the Federal Davis-Bacon Act and wage rates apply to construction projects performed by Self-Governance Tribes using their own funds or other non-Federal funds?**

No, the Federal Davis-Bacon Act and wage rates do not apply to construction projects performed by Self-Governance Tribes using their own funds or other non-Federal funds.

### **§ 137.379 Do Davis-Bacon wage rates apply to construction projects performed by Self-Governance Tribes using Federal funds?**

Davis-Bacon Act wage rates only apply to laborers and mechanics employed by the contractors and subcontractors (excluding Indian Tribes, inter-Tribal consortia, and Tribal organizations) retained by Self-Governance Tribes to perform construction. The Davis-Bacon Act and wage rates do not apply when Self-Governance Tribes perform work with their own employees.

## **Subpart O—Secretarial Responsibilities**

### **BUDGET REQUEST**

### **§ 137.401 What role does Tribal consultation play in the IHS annual budget request process?**

The IHS will consult with Tribes on budget issues consistent with Administration policy on Tribal consultation.

## **42 CFR Ch. I (10–1–03 Edition)**

### **REPORTS**

### **§ 137.405 Is the Secretary required to report to Congress on administration of Title V and the funding requirements presently funded or unfunded?**

Yes, no later than January 1 of each year after the date of enactment of the Tribal Self-Governance Amendments of 2000, the Secretary shall submit to the Committee on Indian Affairs of the Senate and the Committee on Resources of the House of Representatives a written report regarding the administration of Title V. The report shall include a detailed analysis of the funding requirements presently funded or unfunded for each Indian Tribe or Tribal organization, either directly by the Secretary, under self-determination contracts under Title I, or under compacts and funding agreements authorized under Title V.

### **§ 137.406 In compiling reports pursuant to this section, may the Secretary impose any reporting requirements on Self-Governance Tribes, not otherwise provided in Title V?**

No, in compiling reports pursuant to this section, the Secretary may not impose any reporting requirements on Self-Governance Tribes, not otherwise provided in Title V.

### **§ 137.407 What guidelines will be used by the Secretary to compile information required for the report?**

The report shall be compiled from information contained in funding agreements, annual audit reports, and data of the Secretary regarding the disposition of Federal funds. The report must identify:

- (a) The relative costs and benefits of self-governance, including savings;
- (b) With particularity, all funds that are specifically or functionally related to the provision by the Secretary of services and benefits to Self-Governance Tribes and their members;
- (c) The funds transferred to each Self-Governance Tribe and the corresponding reduction in the Federal bureaucracy;

(d) The funding formula for individual Tribal shares of all headquarters' funds, together with the comments of affected Self-Governance Tribes, developed under § 137.405 of this subpart; and

(e) Amounts expended in the preceding fiscal year to carry out inherent Federal functions, including an identification of those functions by type and location.

### Subpart P—Appeals

**§ 137.410 For the purposes of section 110 of the Act [25 U.S.C. 450m-1] does the term contract include compacts, funding agreements, and construction project agreements entered into under Title V?**

Yes, for the purposes of section 110 of the Act [25 U.S.C. 450m-1] the term "contract" includes compacts, funding agreements, and construction project agreements entered into under Title V.

#### POST-AWARD DISPUTES

**§ 137.412 Do the regulations at 25 CFR Part 900, Subpart N apply to compacts, funding agreements, and construction project agreements entered into under Title V?**

Yes, the regulations at 25 CFR Part 900, Subpart N apply to compacts, funding agreements, and construction project agreements entered into under Title V.

#### PRE-AWARD DISPUTES

**§ 137.415 What decisions may an Indian Tribe appeal under § 137.415 through 137.436?**

An Indian Tribe may appeal:

(a) A decision to reject a final offer, or a portion thereof, under section 507(b) of the Act [25 U.S.C. 458aaa-6(b)];

(b) A decision to reject a proposed amendment to a compact or funding agreement, or a portion thereof, under section 507(b) of the Act [25 U.S.C. 458aaa-6(b)];

(c) A decision to rescind and re-assume a compact or funding agreement, in whole or in part, under section 507(a)(2) of the Act [25 U.S.C. 458aaa-6(a)(2)], except for immediate reassumptions under section

507(a)(2)(C) of the Act [25 U.S.C. 458aaa-6(a)(2)(C)];

(d) A decision to reject a final construction project proposal, or a portion thereof, under section 509(b) of the Act [25 U.S.C. 458aaa-8(b)] and subpart N of this part; and

(e) For construction project agreements carried out under section 509 of the Act [25 U.S.C. 458aaa-8], a decision to reject project planning documents, design documents, or proposed amendments submitted by a Self-Governance Tribe under section 509(f) of the Act [25 U.S.C. 458aaa-8(f)] and subpart N of this part.

**§ 137.416 Do §§ 137.415 through 137.436 apply to any other disputes?**

No, §§ 137.415 through 137.436 only apply to decisions listed in § 137.415. Specifically, §§ 137.415 through 137.436 do not apply to any other dispute, including, but not limited to:

(a) Disputes arising under the terms of a compact, funding agreement, or construction project agreement that has been awarded;

(b) Disputes arising from immediate reassumptions under section 507(a)(2)(C) of the Act [25 U.S.C. 458aaa-6(a)(2)(C)] and § 137.261 and 137.262, which are covered under § 137.440 through 137.445.

(c) Other post-award contract disputes, which are covered under § 137.412.

(d) Denials under the Freedom of Information Act, 5 U.S.C. 552, which may be appealed under 45 CFR part 5.

(e) Decisions relating to the award of grants under section 503(e) of the Act [25 U.S.C. 458aaa-2(e)], which may be appealed under 45 CFR part 5.

**§ 137.417 What procedures apply to Interior Board of Indian Appeals (IBIA) proceedings?**

The IBIA may use the procedures set forth in 43 CFR 4.22-4.27 as a guide.

**§ 137.418 How does an Indian Tribe know where and when to file its appeal from decisions made by IHS?**

Every decision in any of the areas listed in § 137.415 must contain information which shall tell the Indian Tribe where and when to file the Indian Tribe's appeal. Each decision shall include the following statement:

## **§ 137.419**

Within 30 days of the receipt of this decision, you may request an informal conference under 42 CFR 137.421, or appeal this decision under 42 CFR 137.425 to the Interior Board of Indian Appeals (IBIA). Should you decide to appeal this decision, you may request a hearing on the record. An appeal to the IBIA under 42 CFR 137.425 shall be filed with the IBIA by certified mail or by hand delivery at the following address: Board of Indian Appeals, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, VA 22203. You shall serve copies of your Notice of Appeal on the Secretary and on the official whose decision is being appealed. You shall certify to the IBIA that you have served these copies.

### **§ 137.419 What authority does the IBIA have under §§ 137.415 through 137.436?**

The IBIA has the authority:

- (a) to conduct a hearing on the record;
- (b) to permit the parties to engage in full discovery relevant to any issue raised in the matter;
- (c) to issue a recommended decision; *and*
- (d) to take such action as necessary to insure rights specified in § 137.430.

### **§ 137.420 Does an Indian Tribe have any options besides an appeal?**

Yes, the Indian Tribe may request an informal conference. An informal conference is a way to resolve issues as quickly as possible, without the need for a formal hearing. Or, the Indian Tribe may, in lieu of filing an administrative appeal under this subpart or upon completion of an informal conference, file an action in Federal court pursuant to section 110 of the Act [25 U.S.C. 450m-1].

### **§ 137.421 How does an Indian Tribe request an informal conference?**

The Indian Tribe must file its request for an informal conference with the office of the person whose decision it is appealing, within 30 days of the day it receives the decision. The Indian Tribe may either hand-deliver the request for an informal conference to that person's office, or mail it by certified mail, return receipt requested. If the Indian Tribe mails the request, it will be considered filed on the date the Indian Tribe mailed it by certified mail.

## **42 CFR Ch. I (10-1-03 Edition)**

### **§ 137.422 How is an informal conference held?**

(a) The informal conference must be held within 30 days of the date the request was received, unless the Indian Tribe and the authorized representative of the Secretary agree on another date.

(b) If possible, the informal conference will be held at the Indian Tribe's office. If the meeting cannot be held at the Indian Tribe's office and is held more than fifty miles from its office, the Secretary must arrange to pay transportation costs and per diem for incidental expenses to allow for adequate representation of the Indian Tribe.

(c) The informal conference must be conducted by a designated representative of the Secretary.

(d) Only people who are the designated representatives of the Indian Tribe, or authorized by the Secretary are allowed to make presentations at the informal conference. Such designated representatives may include Office of Tribal Self-Governance.

### **§ 137.423 What happens after the informal conference?**

(a) Within 10 days of the informal conference, the person who conducted the informal conference must prepare and mail to the Indian Tribe a written report which summarizes what happened at the informal conference and a recommended decision.

(b) Every report of an informal conference must contain the following language:

Within 30 days of the receipt of the recommended decision from the informal conference, you may file an appeal of the initial decision of the DHHS agency with the Interior Board of Indian Appeals (IBIA) under 42 CFR 137.425. You may request a hearing on the record. An appeal to the IBIA under 42 CFR 137.425 shall be filed with the IBIA by certified mail or hand delivery at the following address: Board of Indian Appeals, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, VA 22203. You shall serve copies of your Notice of Appeal on the Secretary and on the official whose decision is being appealed. You shall certify to the IBIA that you have served these copies. Alternatively you may file an action in Federal court pursuant to section 110 of the Act. [25 U.S.C. 450m-1].

**§ 137.424 Is the recommended decision from the informal conference final for the Secretary?**

No. If the Indian Tribe is dissatisfied with the recommended decision from the informal conference, it may still appeal the initial decision within 30 days of receiving the recommended decision and the report of the informal conference. If the Indian Tribe does not file a notice of appeal within 30 days, or before the expiration of the extension it has received under § 137.426, the recommended decision of the informal conference becomes final for the Secretary and may be appealed to Federal court pursuant to section 110 of the Act [25 U.S.C. 450m-1].

**§ 137.425 How does an Indian Tribe appeal the initial decision if it does not request an informal conference or if it does not agree with the recommended decision resulting from the informal conference?**

(a) If the Indian Tribe decides to appeal, it must file a notice of appeal with the IBIA within 30 days of receiving either the initial decision or the recommended decision from the informal conference.

(b) The Indian Tribe may either hand-deliver the notice of appeal to the IBIA, or mail it by certified mail, return receipt requested. If the Indian Tribe mails the Notice of Appeal, it will be considered filed on the date the Indian Tribe mailed it by certified mail. The Indian Tribe should mail the notice of appeal to: Board of Indian Appeals, U.S. Department of the Interior, 4015 Wilson Boulevard, Arlington, VA 22203.

(c) The Notice of Appeal must:

(1) Briefly state why the Indian Tribe thinks the initial decision is wrong;

(2) Briefly identify the issues involved in the appeal; and

(3) State whether the Indian Tribe wants a hearing on the record, or whether the Indian Tribe wants to waive its right to a hearing.

(d) The Indian Tribe must serve a copy of the notice of appeal upon the official whose decision it is appealing. The Indian Tribe must certify to the IBIA that it has done so.

(e) The authorized representative of the Secretary will be considered a

party to all appeals filed with the IBIA under the Act.

(f) In lieu of filing an administrative appeal an Indian Tribe may proceed directly to Federal court pursuant to section 110 of the Act [25 U.S.C. 450m-1].

**§ 137.426 May an Indian Tribe get an extension of time to file a notice of appeal?**

Yes, if the Indian Tribe needs additional time, the Indian Tribe may request an extension of time to file its Notice of Appeal with the IBIA within 60 days of receiving either the initial decision or the recommended decision resulting from the informal conference. The request of the Indian Tribe must be in writing, and must give a reason for not filing its notice of appeal within the 30-day time period. If the Indian Tribe has a valid reason for not filing its notice of appeal on time, it may receive an extension.

**§ 137.427 What happens after an Indian Tribe files an appeal?**

(a) Within 5 days of receiving the Indian Tribe's notice of appeal, the IBIA will decide whether the appeal falls under § 137.415. If so, the Indian Tribe is entitled to a hearing.

(b) If the IBIA cannot make that decision based on the information included in the notice of appeal, the IBIA may ask for additional statements from the Indian Tribe, or from the appropriate Federal agency. If the IBIA asks for more statements, it will make its decision within 5 days of receiving those statements.

(c) If the IBIA decides that the Indian Tribe is not entitled to a hearing or if the Indian Tribe has waived its right to a hearing on the record, the IBIA will dismiss the appeal and inform the Indian Tribe that it is not entitled to a hearing or has waived its right to a hearing.

**§ 137.428 How is a hearing arranged?**

(a) If a hearing is to be held, the IBIA will refer the Indian Tribe's case to the Hearings Division of the Office of Hearings and Appeals of the U.S. Department of the Interior. The case will then be assigned to an Administrative Law

## § 137.429

Judge (ALJ), appointed under 5 U.S.C. 3105.

(b) Within 15 days of the date of the referral, the ALJ will hold a pre-hearing conference, by telephone or in person, to decide whether an evidentiary hearing is necessary, or whether it is possible to decide the appeal based on the written record. At the pre-hearing conference the ALJ will provide for:

- (1) A briefing and discovery schedule;
  - (2) A schedule for the exchange of information, including, but not limited to witness and exhibit lists, if an evidentiary hearing is to be held;
  - (3) The simplification or clarification of issues;
  - (4) The limitation of the number of expert witnesses, or avoidance of similar cumulative evidence, if an evidentiary hearing is to be held;
  - (5) The possibility of agreement disposing of all or any of the issues in dispute; and
  - (6) Such other matters as may aid in the disposition of the appeal.
- (c) The ALJ shall order a written record to be made of any conference results that are not reflected in a transcript.

### § 137.429 What happens when a hearing is necessary?

(a) The ALJ must hold a hearing within 90 days of the date of the order referring the appeal to the ALJ, unless the parties agree to have the hearing on a later date.

(b) At least 30 days before the hearing, the Secretary must file and serve the Indian Tribe with a response to the notice of appeal.

(c) If the hearing is held more than 50 miles from the Indian Tribe's office, the Secretary must arrange to pay transportation costs and per diem for incidental expenses to allow for adequate representation of the Indian Tribe.

(d) The hearing shall be conducted in accordance with the Administrative Procedure Act, 5 U.S.C. 556.

### § 137.430 What is the Secretary's burden of proof for appeals covered by § 137.415?

As required by section 518 of the Act [25 U.S.C. 458aaa-17], the Secretary must demonstrate by clear and con-

## 42 CFR Ch. I (10-1-03 Edition)

vincing evidence the validity of the grounds for the decision made and that the decision is fully consistent with provisions and policies of the Act.

### § 137.431 What rights do Indian Tribes and the Secretary have during the appeal process?

Both the Indian Tribe and the Secretary have the same rights during the appeal process. These rights include the right to:

- (a) Be represented by legal counsel;
- (b) Have the parties provide witnesses who have knowledge of the relevant issues, including specific witnesses with that knowledge, who are requested by either party;
- (c) Cross-examine witnesses;
- (d) Introduce oral or documentary evidence, or both;
- (e) Require that oral testimony be under oath;
- (f) Receive a copy of the transcript of the hearing, and copies of all documentary evidence which is introduced at the hearing;
- (g) Compel the presence of witnesses, or the production of documents, or both, by subpoena at hearings or at depositions;
- (h) Take depositions, to request the production of documents, to serve interrogatories on other parties, and to request admissions; and
- (i) Any other procedural rights under the Administrative Procedure Act, 5 U.S.C. 556.

### § 137.432 What happens after the hearing?

(a) Within 30 days of the end of the formal hearing or any post-hearing briefing schedule established by the ALJ, the ALJ shall send all the parties a recommended decision, by certified mail, return receipt requested. The recommended decision must contain the ALJ's findings of fact and conclusions of law on all the issues. The recommended decision shall also state that the Indian Tribe has the right to object to the recommended decision.

(b) The recommended decision shall contain the following statement:

Within 30 days of the receipt of this recommended decision, you may file an objection to the recommended decision with the Secretary under 42 CFR 137.43. An appeal to

## Public Health Service, HHS

## § 137.441

the Secretary under 42 CFR 137.43 shall be filed at the following address: Department of Health and Human Services, 200 Independence Ave. S.W., Washington, DC, 20201. You shall serve copies of your notice of appeal on the official whose decision is being appealed. You shall certify to the Secretary that you have served this copy. If neither party files an objection to the recommended decision within 30 days, the recommended decision will become final.

### § 137.433 Is the recommended decision always final?

No, any party to the appeal may file precise and specific written objections to the recommended decision, or any other comments, within 30 days of receiving the recommended decision. Objections must be served on all other parties. The recommended decision shall become final for the Secretary 30 days after the Indian Tribe receives the ALJs recommended decision, unless a written statement of objections is filed with the Secretary during the 30-day period. If no party files a written statement of objections within 30 days, the recommended decision shall become final for the Secretary.

### § 137.434 If an Indian Tribe objects to the recommended decision, what will the Secretary do?

(a) The Secretary has 45 days from the date it receives the final authorized submission in the appeal to modify, adopt, or reverse the recommended decision. The Secretary also may remand the case to the IBIA for further proceedings. If the Secretary does not modify or reverse the recommended decision or remand the case to the IBIA during that time, the recommended decision automatically becomes final.

(b) When reviewing the recommended decision, the Secretary may consider and decide all issues properly raised by any party to the appeal, based on the record.

(c) The decision of the Secretary must:

- (1) Be in writing;
- (2) Specify the findings of fact or conclusions of law that are modified or reversed;
- (3) Give reasons for the decision, based on the record; and
- (4) State that the decision is final for the Department.

### § 137.435 Will an appeal adversely affect the Indian Tribe's rights in other compact, funding negotiations, or construction project agreement?

No, a pending appeal will not adversely affect or prevent the negotiation or award of another compact, funding agreement, or construction project agreement.

### § 137.436 Will the decisions on appeal be available for the public to review?

Yes, all final decisions must be published for the Department under this subpart. Decisions can be found on the Department's website.

## APPEALS OF AN IMMEDIATE REASSUMPTION OF A SELF-GOVERNANCE PROGRAM

### § 137.440 What happens in the case of an immediate reassumption under section 507(a)(2)(C) of the Act [25 U.S.C. 458aaa-6(a)(2)(C)]?

(a) The Secretary may, upon written notification to the Self-Governance Tribe, immediately reassume operation of a program, service, function, or activity (or portion thereof) if:

(1) The Secretary makes a finding of imminent substantial and irreparable endangerment of the public health caused by an act or omission of the Self-Governance Tribe; and

(2) The endangerment arises out of a failure to carry out the compact or funding agreement.

(b) When the Secretary advises a Self-Governance Tribe that the Secretary intends to take an action referred to in paragraph (a) of this section, the Secretary must also notify the Deputy Director of the Office of Hearings and Appeals, Department of the Interior, 4015 Wilson Boulevard, Arlington, VA 22203.

### § 137.441 Will there be a hearing?

Yes, unless the Self-Governance Tribe waives its right to a hearing in writing. The Deputy Director of the Office of Hearings and Appeals must appoint an Administrative Law Judge to hold a hearing.

(a) The hearing must be held within 10 days of the date of the notice referred to in § 137.440 unless the Self-

## **§ 137.442**

Governance Tribe agrees to a later date.

(b) If possible, the hearing will be held at the office of the Self-Governance Tribe. If the hearing is held more than 50 miles from the office of the Self-Governance Tribe, the Secretary must arrange to pay transportation costs and per diem for incidental expenses. This will allow for adequate representation of the Self-Governance Tribe.

### **§ 137.442 What happens after the hearing?**

(a) Within 30 days after the end of the hearing or any post-hearing briefing schedule established by the ALJ, the ALJ must send all parties a recommended decision by certified mail, return receipt requested. The recommended decision shall contain the ALJs findings of fact and conclusions of law on all the issues. The recommended decision must also state that the Self-Governance Tribe has the right to object to the recommended decision.

(b) The recommended decision must contain the following statement:

Within 15 days of the receipt of this recommended decision, you may file an objection to the recommended decision with the Secretary under §137.443. An appeal to the Secretary under 25 CFR 900.165(b) shall be filed at the following address: Department of Health and Human Services, 200 Independence Ave. SW., Washington, DC 20201. You shall serve copies of your notice of appeal on the official whose decision is being appealed. You shall certify to the Secretary that you have served this copy. If neither party files an objection to the recommended decision within 15 days, the recommended decision will become final.

## **42 CFR Ch. I (10–1–03 Edition)**

### **§ 137.443 Is the recommended decision always final?**

No, any party to the appeal may file precise and specific written objections to the recommended decision, or any other comments, within 15 days of receiving the recommended decision. The objecting party must serve a copy of its objections on the other party. The recommended decision will become final 15 days after the Self-Governance Tribe receives the ALJs recommended decision, unless a written statement of objections is filed with the Secretary during the 15-day period. If no party files a written statement of objections within 15 days, the recommended decision will become final.

### **§ 137.444 If a Self-Governance Tribe objects to the recommended decision, what action will the Secretary take?**

(a) The Secretary has 15 days from the date the Secretary receives timely written objections to modify, adopt, or reverse the recommended decision. If the Secretary does not modify or reverse the recommended decision during that time, the recommended decision automatically becomes final.

(b) When reviewing the recommended decision, the Secretary may consider and decide all issues properly raised by any party to the appeal, based on the record.

(c) The decision of the Secretary must:

- (1) Be in writing;
- (2) Specify the findings of fact or conclusions of law that are modified or reversed;
- (3) Give reasons for the decision, based on the record; and
- (4) State that the decision is final for the Secretary.

**Public Health Service, HHS**

**§ 137.450**

**§ 137.445 Will an immediate reassumption appeal adversely affect the Self-Governance Tribe's rights in other self-governance negotiations?**

No, a pending appeal will not adversely affect or prevent the negotiation or award of another compact, funding agreement, or construction project agreement.

**EQUAL ACCESS TO JUSTICE ACT FEES**

**§ 137.450 Does the Equal Access to Justice Act (EAJA) apply to appeals under this subpart?**

Yes, EAJA claims against the Department will be heard pursuant to 25 CFR 900.177.

**PARTS 138—399 [RESERVED]**

**CHAPTERS II—III [RESERVED]**